



# ***Daily Report***

## **China**

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# Daily Report China

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### General

#### **Report Confirms Foreign Investment Success** *OW070847 Beijing XINHUA in English 1957 GMT* 6 Apr 88

[Text] United Nations, April 6 (XINHUA)—A U.N. report today confirms China's policy of accepting direct foreign investment over the past few years as one of the most important economic successes in the 1980s.

The report, prepared by the U.N. Center on Transnational Corporations shows that at a time when the flow of private capital to developing countries has been severely curtailed, China has attracted more than 7 billion U.S. dollars of direct foreign investment from 1979 to 1987, involving over 8,000 enterprises and projects.

The report, made available here today, says discussions between officials from the center and the Chinese Ministry of Foreign Economic Relations and trade have shown that the Chinese Government is still giving high priority to foreign investment in the country's economic future.

The report says that while there exist a number of operational difficulties in foreign investment in the country, China is committed to direct foreign investment by transnational corporations and is determined to make a renewed effort to remove existing obstacles to that end.

The report states that there is need for a further convergence of views on negotiation procedures and contractual arrangements between the Chinese side and foreign investors.

While there is a tendency to emphasize flexibility, goodwill and trust, clarity and specificity of commitments are also deemed important, it says.

According to the report, "Expectations and Issues" from the Chinese perspective relate to the structure of the sectors, technology transfer, foreign exchange imbalances, enterprise autonomy, transfer pricing and unfamiliarity with the operational mechanism of joint-ventures.

#### **Tian Jiyun Attends WHO Anniversary Meeting** *OW080136 Beijing XINHUA in English 1225 GMT* 7 Apr 88

[Excerpts] Beijing, April 7 (XINHUA)—China will strengthen its ties with the World Health Organization (WHO) and seek its support and collaboration on such issues as health prevention, professional education and medical administration.

This remark was made by Chen Minzhang, China's minister of public health, at a meeting marking the WHO's 40th anniversary held at the Sino-Japanese Friendship Hospital here today.

"Over the past 40 years, the WHO has made great contributions to the guidance and coordination of international health work, the promotion of disease prevention and treatment and the improvement of worldwide health standards," said Chen.

He said that China is a founding member of the WHO. For the past several decades, China has been developing a sound relationship with the organization in the areas of technical cooperation, giving lectures, and primary health care. At the same time, 119 experts from China have been invited to serve as members of the body's expert advisory panel. [passage omitted]

Tian Jiyun, China's vice-premier, Manfred Kulessa, resident representative of the United Nations Development Program to China, Manzoor Ahmed, representative of the United Nations Children's Fund to China, and more than 300 representatives from medical circles in Beijing, attended the meeting.

### United States & Canada

#### **Daily Comments on U.S.-Soviet Relations** *HK081236 Beijing RENMIN RIBAO in Chinese* 8 Apr 88 p 6

["Commentary" by Fang Min (2455 2404): "Difficult Conclusion to the Nuclear Treaty and Current U.S.-Soviet Relations"—first paragraph published in bold-face]

[Text] Over the past month or so some changes that afford food for thought have taken place in U.S.-Soviet relations about the question of cutting strategic arms by 50 percent, which may possibly cause difficulties in concluding the treaty on reducing strategic arms. The treaty may not be signed at the Moscow summit meeting between the two countries. The crux of the problem is that both sides still cannot solve their great differences on some major questions, especially the question of space arms caused by the U.S. SDI. There are also some other factors affecting the drafting of the treaty. Reducing strategic arms by 50 percent is a common demand by both the United States and the Soviet Union. In the period to come, dialogue will continue to be an important aspect of U.S.-Soviet relations.

Over the past month or so both the United States and the Soviet Union have said that the strategic arms reduction treaty may not be signed at the summit meeting between the two countries, which will be held in the first half of the year. President Reagan said first in an interview with WASHINGTON POST reporters during the last days of February that the strategic arms treaty is much more complicated than the treaty on intermediate-range guided missiles, and it is impossible to have the treaty draft finished before his meeting with Gorbachev since the time is limited. One month later, in a commentary in the Soviet NEW TIMES, published at the beginning of April, the previous Soviet optimistic attitude toward the

signing of the treaty had changed. It also held that there existed many difficulties in drafting the treaty before Reagan's visit to the Soviet Union at the end of May. In the days as the U.S.-Soviet summit meeting approaches, the change in the original remarks by the two countries indicate a new trend in current U.S.-Soviet relations, which provides food for thought.

Signing a treaty on reducing strategic arms by 50 percent at the U.S.-Soviet summit meeting in the first half of this year was originally a common objective for Reagan and Gorbachev, decided on by them through consultation last December. At that time they were fully aware of the complexity of the drafting work, but were optimistic of signing this treaty within 6 months, which would make the Moscow meeting a new milestone in nuclear disarmament. Now, both sides have changed their tunes. People would like to ask: What is the status quo of the U.S.-Soviet nuclear talks, and why have things become difficult in concluding the strategic arms reduction treaty.

The question of strategic arms reduction has been an important part of U.S.-Soviet arms control since 1985. Over the past 3 years or so, through difficult talks and three summit meetings, much headway has been made by both sides on the question of strategic arms. It can be said that a general frame for reducing strategic arms has basically been formed. The basic point is that both sides have agreed to cut 50 percent of their strategic arms, reduce the numbers of their strategic vehicles and warheads to 1,600 and 6,000, and limit the number of warheads of both ground-based and sea-based guided missiles to 4,900. At the same time, both sides have also agreed to work out detailed regulations on checking the implementation of the strategic arms treaty on the basis of the measures agreed for checking implementation of the treaty on intermediate-range guided missiles. Now the talks have come to a deadlock. The crux is that both sides have held to their original stands and no substantial headway has ever been made on some of the outstanding questions.

The first question is the relationship between observing the anti-missile treaty and strategic arms reduction. This is the most difficult problem in U.S.-Soviet contention. In essence it is a sharp contradiction concerning the question of arms in space which has been caused by Reagan's SDI. At the U.S.-Soviet summit meeting last December both sides made certain compromises on this question. The viewpoints of both sides were stated in their communique, but in reality there is still a great gap between their basic stands. The Soviet Union requires that the anti-missile treaty signed by the two countries in 1972 should be strictly observed, but the United States emphasizes that the treaty allows the study, development, and trials for the strategic defense system. The Soviet Union requires that agreements are reached at the same time on the signing of the treaty on strategic arms reduction and on observing the anti-missile treaty, which will also become effective at the same time, but the

United States stands for signing the two agreements separately. These differences were soon revealed at the U.S.-Soviet Geneva talks on arms control in January this year. During the talks the Soviet Union put forward a draft of the "Protocol of the Soviet-U.S. Treaty on Reducing and Restricting Offensive Strategic Arms," requiring both sides to strictly observe the anti-missile treaty and not to carry out experiments on outer space defense arms. It also made this regulation a necessary prerequisite for reducing strategic arms. The United States held that this was another attempt on the part of the Soviet Union to link reductions in nuclear arms with restrictions on the U.S. SDI program. It also put forward a draft "Treaty on Defense and Space Systems," in which it was stipulated that both parties may study, develop, and experiment with strategic defense technology. It proposed that this treaty should be separated from the strategic arms treaty and signed separately. The dispute between the United States and the Soviet Union on this issue was still unresolved at the two meetings between the two foreign ministers last February and March. The deadlock has not been broken.

The second is about the contents of the strategic arms treaty. The total quantities of strategic arms to be cut by both parties have been fixed. However, because they possess different types of nuclear arms in different quantities, the question of how to specifically cut the arms and how to define ceilings for various types of arms is still very complicated. When Shultz visited the Soviet Union last February, Gorbachev reportedly put forward in concrete terms a new proposal for reducing various types of strategic arms. The details of the proposal have not been made public and the United States has not made any direct reply. Moreover, both parties also disagree on the question of mobile intercontinental missiles and sea-based long-range cruise missiles. Mobile intercontinental missiles constitute an important component part of the Soviet nuclear arsenal. The United States favors banning them on the grounds that the number of such missiles is difficult to verify. It maintains that they should be banned unless a reliable method of verification can be found. On the other hand, the United States occupies a dominant position in sea-based long-range cruise missiles. This kind of missile can be loaded with both nuclear and conventional warheads. The Soviets maintain that the treaty should include restrictions on these but the United States is opposed to any restrictions on their quantities.

Verification is also a knotty problem. During their meeting last February, the U.S. and Soviet foreign ministers decided to allow their delegations to the Geneva Talks to work out in 1 month, three protocols concerning verification, which would be taken as appendices to the treaty and which would provide detailed verification procedures, methods for destroying missiles or transforming nuclear submarines and bombers for other purposes, as well as exchanging data and information for verification. However, the drafts of the three documents worked out so far have left many blank spots and unsettled contents.



In addition to these main outstanding issues some other political factors have more or less obstructed the progress of the talks and the drafting of the treaty. True, judged from various factors, such as the U.S. and Soviet strategic readjustments, their domestic economic conditions, and changes in their relationship, the United States and the Soviet Union have a common need to reduce strategic arms by 50 percent. Although great differences remain, it is still possible for them to reach an agreement. However, both parties seem to have different considerations on the question of when and under what circumstances they will finish their talks and sign a strategic arms reduction treaty. Judging from the recent remarks by the superpowers, it is generally held that the Soviet Union seems to be more eager to sign a strategic arms reduction treaty in Moscow so that the U.S.-Soviet Moscow summit can become "a new epoch-making event in the efforts to restrict the nuclear arms race." However, as analyzed by some people abroad, the U.S. Government stresses the need "to seek a good treaty" and so is not in a hurry to sign. To avoid giving people the impression of being impatient for success and thus creating trouble for the Republican Party in an election year, the Reagan administration seems to have intentionally slowed the pace. As some people see it, perhaps believing that the Soviets are impatient for an agreement the United States has deliberately struck a pose to win more concessions. In any case, both the United States and the Soviet Union still regard the next summit as an important link to develop the dialogue. In the days to come the United States and the Soviet Union will probably engage in debates while continuously discussing the treaty and making the necessary preparations for the summit meeting.

**U.S. Not To Exchange SDI for Soviet Arms Pact**  
*OW062214 Beijing XINHUA in English 0927 GMT*  
6 Apr 88

[Text] Washington, April 5 (XINHUA)—U.S. Presidential Arms Control Adviser Edward Rowny said that the United States will not abandon its Strategic Defense Initiative (SDI), in exchange for an agreement with the Soviet Union on strategic arms reduction.

"We would like to see reductions in strategic offensive arms and progress in strategic defenses as well. The two objectives are both good ones and are complementary," Rowny said in a prepared speech released here today.

Rowny accused the Soviet Union of trying to hold a strategic arms agreement hostage to an insistence that the SDI, known as the "Star Wars" program, be crippled.

"We should not allow the Soviets to force us to choose between them," Rowny said.

Rowny said that it would be desirable for U.S. and Soviet leaders to sign the treaty when they meet in Moscow in late May. But, he stressed that the United States has "set no deadlines."

He said the United States would not agree to a "vague formulation," with which the Soviets insist that the 1972 Anti-Ballistic Missile Treaty restrict SDI work.

**Daily Notes Shultz, Perez Differences**  
*HK061524 Beijing RENMIN RIBAO in Chinese*  
5 Apr 88 p 6

[Article by Ke Yuelin (2688 2588 7207): "Shultz' Mediation and Shamir's Isolation"]

[Text] U.S. Secretary of State Shultz is now carrying out his third shuttle mission in the Middle East, and Israel is his first stop. It is reported that Shultz' talks with Israeli Premier Shamir have been unsuccessful. Shultz has blamed Shamir for procrastinating in the Middle East peace process and has indirectly criticized him for "nit-picking" at the Middle East peace program offered by the United States. Shamir has expressed great doubts about the U.S. proposal for an international conference. The unsuccessful talks between the two reflect the contradictions and differences of opinion between the United States and Israel over the Middle East peace issue.

In fact, the United States has never thoroughly changed its favoritism toward Israel. But it has also taken note that the anti-Israeli movement that is now on the upsurge on the West Bank of the Jordan River and in the Gaza Strip is unlikely to subside, and world opinion has shown more and more sympathy toward the Palestinian people's struggle. Under these circumstances, afraid that the situation in the Israeli-occupied territory will continue to deteriorate and thus endanger its interests in the Middle East, the United States has taken the initiative in making some moves. For example, Shultz was instructed to present a Middle East peace program that shows a certain degree of flexibility; it suggests some concessions, such as the proposal for an international conference, the withdrawal of Israeli troops from some occupied areas, and the shortening of the transitional period before self-government is effected. But the United States is still sticking to its former stand on some crucial issues, denying the Palestinian people's right to self-determination and disapproving of the PLO's qualifications to participate in the Middle East peace talks. However, even this incomplete program has been turned down by Shamir, who has rejected the principle of "territory in exchange for peace" and the proposal for an international conference in which the five permanent members of the Security Council are represented. In order to win over U.S. leaders and the Jewish community, Shamir hurriedly flew to Washington on a lobbying trip in mid-March. But he failed to reach his goal. The Israeli newspaper HA'ARETZ reported that when Reagan clearly voiced his support for Shultz's program, Shamir and his entourage immediately stopped smiling.

The United States' only purpose in doing this is to alleviate the pressure from world and domestic opinion and to pacify the Arab countries, which have grievances

against the United States. That is also the reason why Shultz has visited the Middle East three times in 2 months. Recently he even made an exception by meeting with two members of the Palestine National Council. This indicates that even in a presidential election year, the United States still wishes to achieve something on the Middle East issue, in the hope of keeping the initiative in the Middle East peace talks.

On the other hand, Shamir has refused to yield a single inch in the matter concerning the West Bank of the Jordan River and the Gaza Strip, which Israel occupied by force in 1967, arguing that "withdrawal from the occupied territory could possibly lead to a new clash with the Arabs." But in fact, the Israeli troops' presence in these occupied areas is the very cause of the upsurge of the Palestinians' struggle against Israel. What Shamir has most strongly opposed in the U.S.' new program is the measure demanding a withdrawal of Israeli troops from some areas on the West Bank of the Jordan River, for the Likud faction represented by Shamir has taken the annexation of Arab territory currently illegally occupied by the Israeli troops as its goal. Therefore, although Shamir has promised on his part to "strive for peace" in the occupied areas, Israel has actually never stopped intensifying its suppression of resistance. Shamir's deeds have invited still stronger resistance by the Palestinians and wide denunciation by the international community.

The United States has the largest share of the world's Jewish population. Jewish Americans maintain a thousand and one links with Israel and have given material and other support to the country. But many of them are disgusted with the outrages committed by the Israeli authorities in ruthlessly suppressing the Palestinians. Henry Siegmann, executive secretary of the U.S. Jewish Conference, pointed out indignantly: "Israel's policy of bludgeoning Palestinians is just horrifying and disgusting." More than 400 well known Jewish scholars jointly signed an article urging the United States to "keep Shamir at a distance" and cut military aid to Israel. Dozens of pro-Israeli congressmen also wrote an open letter criticizing Shamir. Shamir, who originally planned to win over the Jewish community through his visit to the United States, did not expect such an unprecedented cold reception and boycott there.

In view of the United States' attitude, Labor Party members, headed by Peres, within the Israeli coalition government have opposed Shamir. While Shamir has resolutely rejected the United States' Middle East peace program, Peres has given his support to it. What is noteworthy is that Eban, who is one of the Israeli Labor Party leaders and the present chairman of the Foreign Affairs and Defense Committee of the Israeli Knesset and who accompanied Shamir on his mission to the United States, told U.S. Jewish organizations and the U.S. Government that Shamir was not authorized to speak on behalf of the Israeli Government and Knesset. Eban's remarks have, of course, put Shamir in an awkward situation.

The failure of this round of talks between Shultz and Shamir will not bring about any radical changes in the United States' Middle East policy. But, anyway, Shultz did try to persuade the Arabs and Israelis to compromise with each other so as to bring their stands closer to each other. However, as long as Shamir sticks to his die-hard policy and the United States continues to refuse to make concessions concerning the Palestinian people's right to self-determination and the PLO's status as the representative of the Palestinian people, Shultz' current Middle East trip will get him nowhere. People definitely hope that the United States' recent efforts in the Middle East will not turn out to be a mere gesture.

**U.S. Condemns Hijacking of Kuwaiti Jet**  
*OW061355 Beijing XINHUA in English 2028 GMT*  
5 Apr 88

[Text] Washington, April 5 (XINHUA)—The United States today condemned the hijacking of a Kuwait Airways jumbo jet and pledged to do its best to help resolve the incident.

Reports reaching here said that Arab-speaking hijackers took this morning a Kuwait Airways Boeing 747 with 112 people on board, forced it to land in Iran and threatened to blow it up.

"We are in touch with a number of governments concerning this incident," State Department spokeswoman Phyllis Oakley said today. "We condemn this hijacking, as we do all such acts of terrorism."

Oakley urged the Government of Iran "to live up to its responsibilities to resolve the incident and bring the perpetrators to justice."

The spokeswoman declined to talk about the actions and steps that the U.S. is taking, but said "We are certainly concerned in a situation like that and will pursue whatever efforts we can."

One passenger with an American passport reportedly was aboard the Kuwaiti airliner. But Oakley said, "At the present time we simply don't believe that there were any Americans on board that flight."

**U.S. Secretary of Health To Arrive 7 Apr**  
*HK070925 Beijing CHINA DAILY in English*  
7 Apr 88 p 1

[By staff reporter Chen Weihua]

[Text] Otis Bowen, secretary of the U.S. Department of Health and Human Services, will arrive in China today to hold discussions on amending and extending for five years a bilateral science and technology co-operation agreement in medicine and public health, which was first signed in June 1979 in Beijing and will expire this June.



The agreement includes co-operation in 10 fields such as infectious disease, parasitic disease and psychiatry. An official from the Ministry of Public Health said the new agreement will add one provision that either party can cancel the agreement but must inform the other party six months in advance.

Bowen will meet with Zhu Xuefan, vice-chairman of the National People's Congress, and Chen Minzhang, Bowen's Chinese counterpart, and possibly some other high-ranking Chinese officials.

So far, the two countries have 27 government agreements and memorandums in science and technology co-operation and 27 joint committees have been set up to deal with detailed co-operation projects in each field.

"We have set up a very stable co-operation form and this has developed steadily in the past eight years," according to an official of the Department of International Co-operation of the State Commission of Science and Technology.

Under the government agreement, Chinese and American scientists have already co-operated in more than 500 projects and several thousand scientists in such fields as nuclear security, industrial management, agriculture and high-energy physics have exchanged visits.

The official said that as a result of bilateral co-operation, mutual understanding between the scientists in the two countries has improved and many of them now exchange information frequently.

**U.S. Offers To Sell More Wheat to USSR**  
*OW060427 Beijing XINHUA in English 0712 GMT*  
5 Apr 88

[Text] Washington, April 4 (XINHUA)—The U.S. has offered to sell the Soviet Union another one million tons of wheat at subsidized prices and the Soviet Union has responded warmly to the continued subsidized sales.

Since last year, the Soviet Union has bought a total of 11.8 million tons of subsidized wheat from the U.S. The last time the U.S. offered to sell one million tons of subsidized wheat was last month, prior to negotiations for a new U.S.-Soviet grain trade agreement. The Soviet Union quickly responded to the offer and has now almost completed arrangements for the purchase.

The U.S. began to subsidize grain sales two years ago to compete with the European community. U.S. officials have indicated that the program has worked well in boosting the market share for U.S. agricultural products.

Reports say the Soviet Union has also fulfilled the agreed amount of corn purchases from the U.S. for the last year of the Soviet-U.S. grain accord. It was the first time in four years that the Soviet Union fulfilled the terms of the five-year agreement.

**U.S., Romania Agree on New Trade Status**  
*OW061101 Beijing XINHUA in English 0914 GMT*  
5 Apr 88

[Text] Washington, April 4 (XINHUA)—The United States and Romania today agreed that Romania be dropped from the list of countries that enjoy preferential trade status with the United States.

The United States extends the preferential status (GSP) to 140 developing economies in the world and will graduate four of them—Taiwan, South Korea, Singapore and Hong Kong—as of next year because the so-called four dragons are now competitive enough in the U.S. Market.

Romania ships to the United States about 200 million dollars worth of goods duty-free annually under GSP, but its goods will be subject to tariffs as the country's preferential status ends on July 3.

Representatives of the two countries held talks last week here in Washington, during which the United States insisted Romania improve its human rights record as a condition for staying on the GSP list.

However, the Romanians said their country would rather stay out of the list.

**Michael Dukakis Wins Wisconsin Primary**  
*OW071416 Beijing XINHUA in English 0843 GMT*  
6 Apr 88

[Text] Washington, April 5 (XINHUA)—Massachusetts Governor Michael Dukakis defeated black civil rights leader Jesse Jackson tonight in the Wisconsin Democratic presidential primary.

In returns from 42 percent of the precincts, Dukakis won 47 percent of the vote, and Jackson 31 percent. Senator Albert Gore of Tennessee received 16 percent while Senator Paul Simon of Illinois trailed the field with 5 percent.

Dukakis also won a narrow victory in the Colorado caucuses yesterday with 45.4 percent of the vote, compared to Jackson's 39.5 percent.

Dukakis and Jackson have been running neck-and-neck since the March 8 Super Tuesday primaries, but Dukakis' victories in Wisconsin and Colorado appear to have given him the upper hand in the see-saw battle for the 1988 Democratic nomination.

According to NBC news, Jackson appeared to have won slightly less than 25 percent of the white vote in Wisconsin, and while this was a dramatic improvement over his 1984 support in a state with a black population of only 4 percent, it was not enough to reinforce the momentum of his surprising campaign.

Of the 81 Democratic delegates at stake in Wisconsin, Dukakis is expected to get 42, Jackson 28 and Gore 11.

As of Monday, Dukakis had 654 convention delegates, while Jackson had 647. 2,082 are needed to win the Democratic Party nomination.

On the Republican side, Vice President George Bush won 85 percent of the Wisconsin vote while former television evangelist Pat Robertson had only 7 percent.

Bush, whose nomination is almost assured, also won the Colorado caucuses yesterday. As of Monday, Bush was able to count on 841 convention delegates out of the 1,139 needed for nomination.

**Restrictions Said Planned on Study in U.S.**  
*HK070839 Hong Kong SOUTH CHINA MORNING POST in English 7 Apr 88 p 1*

[By Seth Faison in Beijing]

[Text] China yesterday revealed new restrictions that might reduce the number of students wanting to study in the United States this year by 40 percent.

Despite China's insistence that only "adjustments" in policy had been made, new figures released by the State Education Commission showed a dramatic cut compared with the number of American student visas given over the past two years.

The latest restrictions, which are part of an effort started two years ago to stem the large number of students who failed to return from the United States, have met with wide-spread opposition from university students.

At Beijing University, wall posters have sprung up in recent weeks criticising acting Prime Minister Li Peng, who is regarded by students as having engineered stricter regulations on study abroad. Mr Li used to head the State Education Commission. Chinese students in the United States, whom some leaders fear have become too Westernised, have also circulated letters opposing the change.

State Education Commission member Huang Xinbai said the "adjustments" would affect students' choices of countries and their subjects to study. He added that fewer master's-degree students would be sent while more doctorate candidates and visiting scholars would be permitted to go abroad.

Chinese leaders are said to prefer sending more students to countries other than the United States where return rates are low. Figures released in February by the New China News Agency claimed that less than 9,000 of the 36,000 state and self-financed students going to the United States had returned.

Mr Huang estimated that around 4,600 students would be sent to the United States this year through Government channels. He did not say how many self-financed students were in the United States but said they would total about 3,000 worldwide.

Even if a maximum of 7,600 students went to the United States, that would represent nearly 40 percent fewer than the 12,700 granted visas by the American Embassy in 1986.

Mr Huang denied foreign news reports that only 600 students would be allowed to study in the United States, but conceded there had been adjustments to regulations regarding foreign study.

He failed to mention that state-funded students were now required to sign a contract guaranteeing their return before they leave.

Last month, the wife and family of a student who failed to return from Japan was fined by a court in Shanghai that cited such a contract.

Others have complained of difficulty in getting permission from their work units to study abroad.

**Martin Luther King Death Anniversary Remembered**  
*OW072349 Beijing XINHUA in English 1258 GMT 6 Apr 88*

["Feature: Gunshot in Memphis and Fire in Washington" by Bao Guangren—XINHUA headline]

[Text] Washington, April 5 (XINHUA)—It is where the 3-day rioting started 20 years ago in the U.S. capital, but today, the District of Columbia's new City Office Building, completed 3 years ago, stands with all its magnificence.

The new building, the construction that is going on along U Street, and vacant lots that are still around, tell a story of suffering and anger, tears and fire, and a dream yet to become reality.

On April 4, 1968, black civil rights leader Rev. Martin Luther King was assassinated when he was in Memphis supporting a strike by sanitation workers.

As news of King's death spread to the U.S. capital that evening, angry black people in the city began to smash windows at a drug store at the site where the City Office Building now stands.

Angry crowds took over the street, breaking windows, looting stores, and setting fires. The destruction spread and continued for 3 days.



The incident left 13 people killed and 1,190 injured. 13,600 troops were called to stop the riots. Machine-guns were set up at the Capitol and around the White House. Tear gas was used to disperse the crowds.

The total loss resulting from the riot, including direct property damage, the cost of bringing in troops, city government expenses, and indirect business losses, was more than 27 million dollars. At least 909 businesses and 667 housing units were destroyed.

Violence also swept other cities, with Chicago, Baltimore, and Kansas City among the hardest hit.

On Monday, people across the United States observed the day of the death of King with different forms.

In Washington, D.C. people gathered and paid a tribute to him at the Lincoln Memorial and Mayor Marion Barry addressed crowds in the area burned 20 years ago with a pledge to keep drugs and violence out of the city.

In Memphis, city Mayor Dick Hackett and local leaders spoke at a musical tribute. A city-sponsored march began at the Martin Luther King Labor Center. It also served as a kickoff for a march through the states of Mississippi, Alabama, and Georgia organized by the Southern Christian Leadership Conference, the civil rights group which King founded.

In Atlanta, King's family attended a wreath-laying ceremony at King's grave. Black legislators and union leaders marched on the governor's mansion to focus on state employees' complaints about racial and sex discrimination and low pay.

Memphis Mayor Richard Hackett said today 20 years ago, Dr. King spoke of a dream. "Today, this city recognizes the necessity for that dream to become a reality," he said.

The sanitation workers Dr. King supported 20 years ago had no paid holidays, no paid vacations, no sick leave, no health insurance. The white supervisors rang a bell to call them like animals to board the trucks.

Today, they have won all these rights and earned more. While they have made more economic progress than many other blue-collar workers in the city, their wages still lag 16 percent below the average for industrial workers there.

Progress has been made. In Memphis, with 51 percent of the population black, the local congressman, 4 of the 9 city council members, the school superintendent, and half the heads of city departments, including the police chief, are black.

However, according to local press reports, as elsewhere, black unemployment is twice the rate for whites. Development tends to happen outside the city proper, where whites have fled school desegregation and what is euphemistically called urban blight.

Just as Rev. James Smith, executive director of the local sanitation union, said: "In 1968, racism was obvious, blatant, open. In 1988, it is subtle, quiet, discreet. It still exists, maybe not as much, but it's still there."

In Washington, D.C. where riots erupted after King's assassination 20 years ago, most of the areas burned by fire have been rebuilt. City Mayor Marion Barry is a black. However, as "THE WASHINGTON POST" reported, 20 years later, the plight of Washington's poor has not improved appreciably. In some ways, life has gotten worse.

The population in the city plummeted by about 17 percent, from 756,510 to an estimated 629,200 today. But the number of poor people—blacks and an infusion of Salvadoran immigrants—increased. From 1980 to 1986, the number of people living in poverty increased by 8 percent.

With about 70 percent of the population black, the city is ravaged by a drug epidemic and violence. It has been plagued by a rapid increase in teenage pregnancy, a high rate of juvenile delinquency, and a breakdown of the traditional family so severe that three-quarters of families in the city's poorest sections are headed by single women, "THE WASHINGTON POST" reported.

According to the paper, the district ranks first in the United States in infant mortality, public housing is older and more decrepit, and murder rates and drug trafficking are at all-time highs.

From 1970 to 1980, the percentage of black men aged 20 to 24 who worked full-time dropped from 61 to 44, and an estimated 7,000 people in the city live on the streets.

Nationwide, 31.1 percent of the blacks live below poverty level, while only 13.6 percent of all Americans are poor.

While King's death and the fire in Washington 20 years ago have resulted in some way in the improvement of the livelihood of black Americans, the search for the promised land that King talked about must continue, just as Benjamin Hooks, president of the National Association for the Advancement of Colored People, said Sunday in Memphis.



**Wang Meng Meets Visiting U.S. Writers in Beijing**  
*OW062315 Beijing XINHUA in English 1902 GMT*  
5 Apr 88

[Text] Beijing, April 5 (XINHUA)—Members of the U.S. writers' delegation to the Fourth Sino-American Writers' Conference had a get-together with noted Chinese writers in Beijing today.

Wang Meng, minister of culture and novelist, met the 12-member delegation headed by Harrison E. Salisbury. Later, Feng Mu, vice chairman of the Chinese Writers' Association gave a welcoming party for the members of the Fourth Sino-American Writers' Conference, which is to open in Sichuan Province, southwest China, on April 7.

At the conference, 10 Chinese writers and literary critics, headed by Lu Wenfu, also vice chairman of the Chinese Writers' Association, will hold discussions with the American writers on the national and international mixtures of literature.

The Sino-American writers' conference was sponsored by Norman Cousins, a noted American scholar and professor. It was first held in Los Angeles in 1982, and then held every 2 years in the two countries in turn.

It is the second time that 80-year-old Salisbury has led the delegation. He is well known to the Chinese people for his work "The Long March—The Untold Story." He revealed that after the conference he will stay in China for a month to collect more materials for his new book "China's New Long March."

**Nixon Deems Jesse Jackson 'Best Candidate'**  
*OW070003 Beijing XINHUA in English 0635 GMT*  
5 Apr 88

[Text] Washington, April 4 (XINHUA)—Former U.S. President Richard Nixon said black civil rights leader Jesse Jackson is "the best candidate and one of the very best of the entire century for either party." However, he added that if Jackson is nominated, "it goes without saying he cannot win."

In an exclusive interview with the "WASHINGTON TIMES" made public today, the former Republican president said that Jackson's problem is his radicalism, or liberalism, "which may be a majority in some areas but is minority in the country as a whole." It is not his complexion but his radicalism that would make him a liability, he declared.

Jackson should not accept the vice presidential slot on the Democratic ticket because "... even though the Democrats are probably going to lose anyway, he would certainly be blamed because he was black," said Nixon.

Jackson is running neck and neck with Massachusetts Governor Michael Dukakis in the primary race so far, and Jackson's success has become a hot topic here among the American press on the possibility of Jackson to be nominated by the Democratic Party.

Nixon said Dukakis, who is likely to be nominated by the Democratic Party, should select either Georgia Senator Sam Nunn or Tennessee Senator Albert Gore for vice president, and Vice President George Bush would have a difficult time defeating Dukakis with either Nunn or Gore as a running mate.

On the Republican side, Nixon said Bush should ask Senate Minority Leader Robert Dole to be his running mate, and if Dole is not willing to accept second place on the Republican ticket, Bush should ask White House Chief of Staff Howard Baker, New York Representative Jack Kemp, or former Tennessee Governor Lamar Alexander to join him.

According to Nixon, neither party is likely to nominate a woman for its presidential ticket before the year 2000 because of the "Ferraro Syndrome," in which Walter Mondale's 1984 loss to Reagan was mistakenly attributed to former New York Congresswoman Geraldine Ferraro's vice presidential candidacy.

**Gorbachev, Najibullah Meet on Afghanistan Pullout**  
*OW071707 Beijing XINHUA in English 1642 GMT*  
7 Apr 88

[Soviet Withdrawal Still Likely for May 15"—XINHUA headline]

[Text] Moscow, April 7 (XINHUA)—Soviet leader Mikhail Gorbachev and Kabul leader Najibullah declared today that final obstacles to a Geneva peace accord "have been removed" and that Soviet troops could still begin leaving Afghanistan on May 15 if the accord is signed soon.

The joint Soviet-Afghan declaration was issued after Gorbachev and Najibullah met today in Tashkent, capital city of the Soviet republic of Uzbekistan, according to the official news agency TASS.

"The Soviet Union and Afghanistan reaffirm that in the event of the conclusion within the shortest period of the said agreements, the Afghanistan-USSR understanding that the Soviet troops will be withdrawn within the period fixed by these agreements, starting from May 15, 1988, will remain in force," TASS quoted the declaration as saying.

Gorbachev and Najibullah had each said on February 8 that the estimated 115,000 Soviet troops would start returning home on May 15 if the Geneva talks between Pakistan and the Kabul regime resulted in an agreement

by March 15. That deadline passed without an agreement and Soviet and Kabul officials warned that the troop withdrawal might be delayed.

Soviet Foreign Minister Eduard Shevardnadze flew to Afghanistan last Sunday and met with the Kabul leaders on "various options of action" in case of a breakdown in the Geneva talks.

But according to today's declaration, "the final obstacles to concluding agreements have now been removed thanks to constructive cooperation of all who are involved in the settlement.

"The Afghan president welcomes the readiness of the Soviet Union and the United States to act as guarantors of the Geneva accords," Gorbachev and Najibullah said in their declaration.

The two leaders stressed that the future of Afghanistan would be determined by the Afghans themselves and that the Soviet Union favors having the country become an independent, nonaligned and neutral state.

The declaration also pledged that Afghan territory would never be used for hostile action against its neighbors, such as the Soviet Union, China, India, Pakistan and Iran.

The policy of national reconciliation "makes it possible to form a coalition government with the participation of all forces representing Afghan society," it added.

The declaration said that the Soviet Union is ready to cooperate with Afghanistan to restore the country's economy.

Gorbachev and Najibullah also called on other states to contribute to the establishment of peace and national reconciliation.

#### **U.S., USSR Aid To Continue**

OW071719 Beijing XINHUA English 1604 GMT  
7 Apr 88

[Text] Geneva, April 7 (XINHUA)—The negotiations to conclude an agreement on ending the Afghan conflict speeded up in Geneva today as the United Nations mediator met with delegates of Pakistan and the Kabul regime as well as the American and Soviet officials who are involved in the negotiations.

According to reports from Islamabad, Pakistani President Mohammad Ziaul-Haq said today that the superpowers had reportedly agreed to continue their military aid to the Afghan resistance and the pro-Soviet Kabul regime, and therefore the agreement on Afghanistan could be signed at any time in the near future.

The issue of assistance to Afghans has blocked the conclusion of the agreement in the latest round of indirect talks between Pakistan and the Kabul regime of Afghanistan.

Soviet leader Mikhail Gorbachev flew to Tashkent, capital of the Soviet Asian republic of Uzbekistan, on Wednesday for a meeting with Afghan leader Czar Najibullah.

In a joint statement issued earlier today, they said they believed that the last obstacles to concluding the agreements had been resolved and all sides favored their immediate signing.

Diego Cordovez, the United Nations mediator, declined to give any details after the consultations this morning with the parties concerned. "It is a very difficult time and there are very difficult decisions," he said.

But he added that the only good thing was that all parties concerned had shown political will in the negotiations.

#### **Gerasimov on Afghanistan Issue**

OW071919 Beijing XINHUA in English 1826 GMT  
7 Apr 88

[Text] Moscow, April 7 (XINHUA)—A Soviet spokesman claimed here today that the so-called "national reconciliation policy" is the only possible solution to the Afghan issue.

He said that the question of military aid will be settled by itself if the policy is successfully implemented.

But he said "It is up to the Afghans" who will decide whether or not to set up a coalition government in Kabul.

Soviet Foreign Minister Spokesman Gennadiy Gerasimov told a news briefing this afternoon that the problem of the Afghan-Pakistan border and some others have been resolved [words indistinct].

The U.N.-sponsored indirect talks between Pakistan and the Soviet-backed Kabul regime stalled after Moscow rejected the idea that both the Soviet Union and the United States stop supplying military aid to the Kabul regime and the guerrilla forces.

However, the statement of the Soviet Union and the Kabul regime said earlier today that Soviet leader Mikhail Gorbachev and head of the Kabul regime Najibullah believe that "the last obstacles to concluding the agreements have now been removed thanks to constructive cooperation of all who are involved in the settlement."

"I don't want to comment on the statement today," Gerasimov said, "We will have another meeting on the issue soon."



The joint Soviet-Afghan statement was issued after Gorbachev and Najibullah met today in Tashkent, capital city of the Soviet republic of Uzbekistan.

**Official Says Agreement Near**  
*OW071929 Beijing XINHUA in English 1913 GMT*  
7 Apr 88

["Afghan Peace Agreement Near, Soviet Official Says"—XINHUA headline]

[Text] Geneva, April 7 (XINHUA)—A Soviet official said here today that an agreement to end the eight-year Afghan conflict, and begin a Soviet troop withdrawal, might be signed shortly.

"I think soon we will sign," said Nikolay Kozyrev, the Soviet ambassador-at-large, on his arrival this afternoon for talks with United Nations mediator Diego Cordovez.

Later, after an hour of negotiations with Cordovez, the Soviet official told reporters, "I think you will soon have good news."

Signs are emerging that the United States and the Soviet Union are nearer on the issue of symmetric assistance to the warring Afghan factions. Pakistan's President, Ziaul Haq said earlier in the day in Islamabad that he had received informal information that the superpowers had agreed to continue military aid to the Afghan factions. But his information has not been confirmed by Washington or Moscow.

According to reliable sources in Geneva, Yuriy Vorontsov, Soviet first deputy foreign minister, arrived in Geneva earlier Thursday. Officially, he has come for talks with the U.S. arms control experts on disarmament. But observers here believe his visit is connected with efforts to conclude a settlement on Afghanistan as soon as possible.

The agreement will require the signature of Pakistan, the Kabul regime, the United States and the Soviet Union. Observers suggest that Vorontsov may be the Soviet representative to sign the agreement.

**Gorbachev on Failure of Earlier Reforms**  
*OW071201 Beijing XINHUA in English 0148 GMT*  
6 Apr 88

[Text] Moscow, April 5 (XINHUA)—Soviet leader Mikhail Gorbachev said today that the absence of a policy stressing the role of the people led to the failure of reforms in the 1950s and 60s.

In his four-hour meeting with Willy Brandt, honorary chairman of the Social Democratic Party of Germany now here on a three-day visit, Gorbachev said the

country's current perestroika (restructuring) drive does not mean an ideological change, but aims to bring out the potential of socialism, the official Soviet news agency TASS reported.

The Soviet leader said the ongoing reforms "require the renunciation of dogmatism, stereotypes and customary approaches to the evaluation of the past and the recognition of the present state of Soviet society."

Referring to reform efforts made by former Soviet leader Nikita Khrushchev in the 1950s-60s after the death of Stalin, Gorbachev said "the absence of policy that would have included the people" was the main reason for their failure, although the efforts included "many correct, substantial and attractive elements."

"That is why we have placed the chief emphasis on the democratization of society, on involving people in all processes: economic, political and ideological," Gorbachev said.

Calling working people the chief protagonists of the perestroika drive, the Soviet leader said discussions and sharp clashes of opinion are "useful and inevitable." The party and society, he said, "are learning to work under democratic conditions."

On relations with the United States, Gorbachev said there are realistic prospects for a U.S.-Soviet deal to cut their strategic nuclear weapons by 50 percent.

He called for continued efforts to find mutually-acceptable solutions to the remaining differences between the two countries concerning such a deal.

## North East Asia

**Symposium on Asian Peace Ends in Tokyo**  
*OW071415 Beijing XINHUA in English 1552 GMT*  
6 Apr 88

[Text] Tokyo, April 6 (XINHUA)—The third China-Japan symposium on Asian peace ended here today with a call for further disarmament efforts by the United States and the Soviet Union to help end regional conflicts in Asia.

Participants at the three-day forum exchanged views on U.S.-Soviet arms talks, current Asian affairs and Sino-Japanese relations.

They said that last December's Washington-Moscow signing of an agreement eliminating intermediate range nuclear forces was progress. But added that the effort was not enough as the superpowers would still have more than 90 percent of the world's nuclear weapons even if a proposal to cut half of their strategic nuclear arms goes through.

While calling for further superpower disarmament efforts to help improve stability in Asia and other regions of the world, the participants also suggested that China and Japan work together for that common goal.

On Sino-Japanese ties, Japanese participants said that the Chinese Government has acted correctly in the Kokaryo dormitory case, a pending issue hindering the development of relations.

It is wrong to say that China is interfering in Japan's internal affairs in defiance of the Japanese principle of the "division of powers among the three branches"—the legislative, the executive and the judicial, they noted of the Kokaryo issue.

The Japanese Government should and can say yes or no over the ownership of the five-storey Chinese building in Kyoto, which has been ruled erroneously by the Taiwan authorities, they said.

A total of 25 politicians, scholars and experts on international affairs from the two countries participated in the forum.

**Councillor Chen Muhua Meets Japanese Bankers**  
*OW071308 Beijing XINHUA in English 1147 GMT*  
*7 Apr 88*

[Text] Beijing, April 7 (XINHUA)—Chen Muhua, Chinese state councillor and governor of the People's Bank of China, met here today Nakaou Nakamura, president of the Industrial Bank of Japan, and his party.

The Japanese visitors arrived here yesterday as guests of the Bank of China.

### **Near East & South Asia**

**Pakistan's Ziaul-Haq on U.S.-Soviet Afghan Accord**  
*O V071759 Beijing XINHUA English 1748 GMT*  
*7 Apr 88*

[Text] Islamabad, April 7 (XINHUA)—Pakistan President Ziaul-Haq today said that the Soviet Union and the United States have reached an agreement on the "symmetry" issue in the Geneva peace talks for Afghanistan so that both sides will continue to assist their respective factions.

The president's disclosure came during an address to the Parliament here today.

He also said that a Geneva accord on Afghanistan could be signed any time.

The United States, one of the guarantors in the Geneva accord, has insisted that both the Soviet Union and the United States simultaneously stop military assistance to the Kabul regime and Afghan resistance forces or continue the assistance even after the signing of the Geneva accord. The Soviet Union, however, has refused this U.S. Demand for "symmetry".

Ziaul-Haq paid tribute to the mujahidin (freedom fighters) in Afghanistan for determination and perseverance in their eight-year struggle against Soviet occupation forces.

"It is because of the courage and sacrifices of the Afghan people that a miracle of the twentieth century is about to take place," he said.

He assured the Afghan people that Pakistan would not abandon them in this difficult period until they are able to return to their homeland. Pakistan has offered shelter to more than 3 million Afghan refugees since the Soviets invaded Afghanistan in 1979.

Referring to the formation of a transition government in Afghanistan, Ziaul-Haq said that UN Mediator Diego Cordovez would strive for the transition government in his personal capacity. "This, too, is a positive step," he said.

Pakistan maintains that the pullout of Soviet troops and formation of a widely-based interim government in Afghanistan are equally important to prevent further bloodshed and create conditions for Afghan refugees to return to their homeland with safety and honor.

The president expressed gratitude to cordovez, UN Secretary-General Javier Perez de Cuellar, the United States, China, Saudi Arabia and other countries and organizations for their contributions to solving the Afghan issue.

Regarding the situation in South Asia, Ziaul-Haq said that Pakistan has from the beginning sincerely strived for normal relations with India. Besides diplomatic channels, he added, he and Premier Mohammad Khan Junejo have met Indian Prime Minister Rajiv Gandhi. A new era of goodwill could emerge in the region if Pakistan's gesture of goodwill is reciprocated by India. The two South Asian neighboring countries have been at war three times since 1947.

Referring to Pakistan-U.S. Relations, Ziaul-Haq said America is Pakistan's old ally.

He said Pakistan's relations with the Soviet Union will be strengthened with the end of the Afghan conflict.



**Seventh NPC Elects New State Leaders**  
*OW080402 Beijing XINHUA in English 0353 GMT*  
9 Apr 88

["Flash: China Elects New Leaders"—XINHUA headline]

[Text] Beijing, April 8 (XINHUA)—China today elected Yang Shangkun president of the state, Wang Zhen vice-president of the state, Wan Li chairman of the Standing Committee of the Seventh National People's Congress, and Deng Xiaoping chairman of the State Central Military Commission.

The new leaders were elected at the First Session of the Seventh National People's Congress attended by 2,883 deputies here this morning.

**NPC Announcement of New President, Vice President**  
*OW081350 Beijing XINHUA Domestic Service*  
*in Chinese 1143 GMT 8 Apr 88*

[Text] Announcement of the National People's Congress [NPC] of the People's Republic of China [PRC]

No 1

The First Session of the Seventh NPC on 8 April 1988 elected:

Yang Shangkun as president of the PRC

Wang Zhen as vice president of the PRC

The above is herein announced.

[Announced by] Presidium of the First Session of the Seventh NPC of the PRC

8 April 1988, Beijing.

**Further on Yang Shangkun Election**  
*OW080406 Beijing XINHUA in English 0356 GMT*  
8 Apr 88

[Text] Beijing, April 8 (XINHUA)—Yang Shangkun, 81-year-old veteran of the Communist Party of China (CPC), became the new president of the People's Republic of China today.

Yang is the fourth president of the People's Republic after the late Mao Zedong, the late Liu Shaoqi and Li Xiannian.

He was elected at the First Session of China's Seventh National People's Congress attended by 2,883 deputies here this morning.

A native of Tongnan County in Sichuan Province, Yang joined the CPC in 1926. He is now a Political Bureau member of the CPC Central Committee and permanent vice-chairman of the Military Commission of the CPC Central Committee.

**XINHUA Profiles Yang Shangkun**  
*OW080624 Beijing XINHUA in English 0544 GMT*  
8 Apr 88

["Yang Shangkun — New President of People's Republic of China" — XINHUA headline]

[Text] Beijing, April 8 (XINHUA)—Yang Shangkun, a veteran revolutionary and senior Army leader, was elected president of the People's Republic of China at the First Session of the Seventh National People's Congress here today.

He is the fourth president of New China after Mao Zedong, Liu Shaoqi and Li Xiannian.

From now on, Yang assumes two important posts simultaneously. As permanent vice-chairman of the Central Military Commission, he has been assisting Chairman Deng Xiaoping in pushing ahead with the reform of China's Armed Forces and the modernization of national defense.

Yang became a senior officer in the Red Army as early as in the 1930s. Since the founding of the People's Republic in 1949, he has taken up key posts in the Communist Party, the government and the Army. At the First Plenary Session of the 13th Party Central Committee last November, he was reelected to the Political Bureau.

He headed a government delegation on visits to the United States, Canada and France last May and June. He stated the positions of the Chinese Government and Army in following terms:

"The present world is in need of peace and development, so is China."

"China opposes any form of arms race, either nuclear or conventional, either on the ground or in the outer space."

"China is convinced that with the growing strength of the forces for peace, a new world war can be avoided, and world peace can be safeguarded."

He told President Reagan: "It is China's hope that its relations with the United States will continue to develop on a stable basis and its relations with the Soviet Union will be improved gradually. At the same time, it also wishes to see an easing of the relations between the United States and the Soviet Union, between Eastern and Western Europe, and between the two opposing military blocs. China welcomes continued U.S.-Soviet dialogue so to reach agreement favorable to a relaxation of international tension and not to the damage of the interests of a third country."

In the capacity of the permanent vice-chairman and secretary-general of the Central Military Commission, Yang left his imprints by carrying out the major decisions of Chairman Deng Xiaoping, effecting a strategic change in the guiding principle for army building, pushing ahead reforms in the Armed Forces and reducing the Armed Forces by one million men.



After several years of work, the Chinese Armed Forces have step by step shifted from war preparedness at all times to peacetime construction centered on modernization.

In 1985 the Chinese Government decided to cut one million men from the armed forces. Under Yang Shangkun's direction, the task was fulfilled only in two years. As a result, the armed forces cut 4,054 division- and regiment-level units, 31 corps-level units, and 4 greater military commands, and the staff at the headquarters was reduced by half.

At the same time, the People's Liberation Army (PLA) has undergone a series of reforms. Field armies have been reorganized into group armies; an aviation arm is being added to the ground force; education and training are strengthened and military equipment improved; many defense plants are turning out civilian products.

Yang is an advocate of younger officers in the PLA. By 1987, the average age of the commanding officers of the group armies had been lowered to 47, nine years younger than that of those commanding field armies five years before.

He pledged to deepen the reform in the armed forces. In a panel discussion at the current session of the National People's Congress, he said that the Military Commission has organized a special group to work on a comprehensive plan for reforms with regard to army organization, equipment, personnel system, education and training.

With military spendings being cut year after year in the national budget over the past few years, Yang emphasized that the PLA should subordinate its interests to those of national construction. Only when the national economy improves can Army buildup and defense construction be stepped up. He stressed that all departments should enhance their awareness of national defense, so should the people of the whole country.

He advocated that Army units engage in production to reinforce their supplies.

Although advanced in years, Yang never sits long in his office. In the past few years, he was seen directing military maneuvers and missile launching operations, inspecting military outposts in the remote areas and visiting special economic zones and cities open to foreign investment.

Born in Tongnan County, Sichuan Province, in 1907, Yang joined the Chinese Communist Youth League in 1925, and became a member of the Communist Party (CPC) the following year. After 1925, he took part in the student and workers' movements in Sichuan and Shanghai. From 1927 to 1931, he studied at Sun Yat-sen University in Moscow.

After his return to China, he was head of the Propaganda Department and secretary of the party organization in the All-China Federation of Trade Unions in Shanghai, head of the Propaganda Department of the party's Jiangsu provincial committee and of the CPC Central Committee, and organized and led Shanghai's workers' movement and Anti-Japanese Movement for National Salvation. Later he served

as editor of the "RED CHINA" newspaper, deputy head of the party school in Jiangxi, director of the Political Department of the First Front Army of the Red Army led by Mao Zedong and Zhu De, deputy director of the General Political Department of the Red Army, and political commissar of the Third Red Army Corps with Marshal Peng Dehuai as the commander.

From October 1934 to October 1935, Yang Shangkun took part in the Long March and attended as a non-voting delegate the historic enlarged meeting of the party's political bureau held in Zunyi, Guizhou Province. After reaching northern Shaanxi, he headed the Political Department of the Shaanxi-Gansu Detachment and later of the field army.

In 1937, he was secretary of the North Bureau of the Party Central Committee. After 1945, he served as secretary-general of the Military Commission of the Party Central Committee.

After the founding of the People's Republic in 1949, he served as director of the General Office of the Party Central Committee, deputy secretary-general of the Party Central Committee and alternate member of the Secretariat of the Party Central Committee.

He became a member of the Secretariat of the Guangdong Provincial Party Committee before the start of the "Cultural Revolution" (1966-76). In 1966, he became a target of the attack and was removed from all posts and thrown into prison.

In 1978, he was rehabilitated and served successively as second secretary of the Guangdong Provincial Party Committee and deputy governor of Guangdong, first secretary of the Guangzhou City Party Committee and chairman of the city Revolutionary Committee (mayor).

In September 1980, he was elected vice-chairman and secretary-general of the Standing Committee of the National People's Congress. In July 1980, he was secretary-general of the Military Commission of the Party Central Committee, and became permanent vice-chairman of the Central Military Commission the following year.

He was member of the party's Eighth, Eleventh, Twelfth and Thirteenth Central Committees. At the First Plenary Session of the 12th Party Central Committee in 1982, he was elected to the Political Bureau.

A sports enthusiast, Yang Shangkun likes swimming.

His wife, playwright Li Bozhao, died a few years ago. She was one of the few Chinese women who took part in the world-famous Long March.

**Wang Zhen Elected State Vice President**  
*OW080412 Beijing XINHUA in English 0357 GMT*  
8 Apr 88

[Text] Beijing, April 8 (XINHUA)—Wang Zhen, 80, was today elected vice president of the People's Republic of China at the First Session of the Seventh National People's Congress attended by 2,883 deputies.

A native of Liuyang County in Hunan Province, Wang joined the Communist Party of China (CPC) in May 1927. A Political Bureau Member of the Eleventh and Twelfth CPC Central Committees, Wang was a vice-chairman of the CPC Central Advisory Commission.

**XINHUA Profiles Wang Zhen**  
*OW080807 Beijing XINHUA in English 0758 GMT*  
8 Apr 88

[Text] Beijing, April 8 (XINHUA)—Wang Zhen, a veteran communist, was elected today vice president of the People's Republic of China.

Wang is realistic and outspoken. He has been a seasoned general, an organizer of land reclamation efforts in border areas and a friend of intellectuals.

Wang was vice chairman of the Communist Party Central Advisory Commission from 1985 to October 1987, a member of the Political Bureau of the CPC Central Committee from 1978 to 1985, and vice premier from 1975 to 1980. He once served as president of the party school under the CPC Central Committee.

He was an alternate member of the Seventh CPC Central Committee and a member of the eighth, ninth, 10th, 11th and 12th party Central Committees.

He was appointed a general and served as deputy chief of the general staff of the Chinese People's Liberation Army in 1955.

Wang Zhen was born to a poor peasant family in 1908 in Liuyang County, Hunan Province. At the age of 15 he started working as a railway worker. He took part in a workers uprising in Changsha and became a member of the Communist Party in 1927 and joined the Red Army two years later. He served successively as political commissar of a regiment, division, army, and army group. He took part in the Long March.

During the War Against Japanese Aggression from 1937 to 1945, he served as commander of the 359th Brigade. During the War of Liberation from 1946 to 1949, he served as commander and political commissar of the Second Column of the First Field Army and commander and political commissar of the Second Army.

In 1949, as commander of the First Army Corps of the First Field Army, he led a march into Xinjiang. After the liberation of Xinjiang he served as acting commander and concurrently political commissar of the Xinjiang Military Area.

During the War Against Japanese Aggression, he led the 359th Brigade in starting the famous "great production campaign" in Nanniwan in northern Shaanxi Province.

In the hard times of the War Against Japanese Aggression, the party Central Committee and Chairman Mao Zedong called on the Army to "use your own hands for ample food and clothing." The "great production campaign" was launched accordingly.

The 359th Brigade reclaimed arid wasteland and made Nanniwan "a land of plenty in northern Shaanxi Province" and became a model in the campaign. The story was written into a song, which is still very popular in China.

After the founding of New China, he set up many Army land reclamation farms to turn wasteland in sandy Xinjiang into green fields. He implemented the central government's policy on nationalities and helped develop the local economy.

In 1953 when he was inspecting railway lines in northeast China as commander of the Railway Corps of the Chinese People's Liberation Army, he was very much impressed by the vast stretches of fertile virgin land there called "the great northern wildness." [as received] His enthusiasm soon led to large-scale reclamation of the area. He became minister of state farms and land reclamation in 1957.

He hated the tendency of boasting and exaggeration during the "Great Leap Forward" period in 1958, and sternly criticized cadres who had the vice.

During the Cultural Revolution (1966-76), Wang opposed the Lin Biao clique and the Gang of Four, and protected some cadres and people. As a vice premier, he in 1975 assisted Deng Xiaoping in organizing overall adjustments. After the downfall of the gang of four, he played an important role in rehabilitating Deng Xiaoping, Chen Yun, and other revolutionary veterans of the older generation.

He was sent to work on a farm from 1968 to 1972. Once he saw a slogan on a wall saying "Down With Academic Authorities." He demanded that the slogan be taken down immediately. "China is so backward and there are too few intellectuals, not too many," he said.

When he was young, poverty deprived him of the chance to finish even primary school education. Sorry for himself, Wang Zhen cherishes much respect and love for intellectuals and has made many friends among them. Most of them became his friends when they were in their difficult times.

Wang Zhen is a staunch supporter of the open policy and opening to the outside world. He advanced many proposals for building economic open zones.

Since July 1973, Wang Zhen has been honorary president of the China-Japan Friendship Association and has made efforts to promote the friendship between the two countries and two peoples. In 1973 alone, he met more than 200 groups of Japanese friends.



"The Chinese people wish to promote friendly relations not only with the Japanese people but also with the people of all other countries in the world," he stressed.

**Wan Li To Head NPC Standing Committee**  
*OW080416 Beijing XINHUA in English 0359 GMT*  
8 Apr 88

[Text] Beijing, April 8 (XINHUA)—Wan Li, 71-year-old vice-premier of China's State Council, was today elected chairman of the Standing Committee of the Seventh National People's Congress.

Wan, who is also a Political Bureau member of the Central Committee of the Communist Party of China (CPC), was elected at the First Session of the Seventh NPC attended by 2,883 deputies.

A native of Dongping County in Shandong Province, Wan Li joined the CPC in 1936. He used to be a close associate of Peng Zhen, chairman of the Sixth NPC Standing Committee, when they both worked in the Beijing Municipal Government.

**XINHUA Profiles Wan Li**  
*OW080446 Beijing XINHUA in English 0436 GMT*  
8 Apr 88

[Text] Beijing, April 8 (XINHUA)—Wan Li, who has been first vice-premier of the State Council, was elected today chairman of the Standing Committee of the Seventh National People's Congress (NPC), China's parliament, replacing 86-year-old revolutionary veteran Peng Zhen.

To enhance socialist democracy and strengthen legal building, Wan said, the NPC, China's highest legislative body, should play a more effective role, raise the efficiency of its Standing Committee, and promote exchanges with parliaments in other countries.

Wan Li, 71, was known nationwide for his courage a decade ago in first introducing the household responsibility system with remuneration related to output, which greatly improved the life of local peasants in east China's Anhui Province. Almost at the same time, in China's most populous province of Sichuan, Zhao Ziyang, then secretary of the provincial party committee, embarked on a similar road to promote the rural economy.

Elated, farmers in China invented a popular saying: "If you want more grain, turn to Zhao Ziyang; if you want more rice, turn to Wan Li".

In fact, Wan Li won national popularity even before that. In 1975, as minister of railways, he chose to follow Chinese senior leader Deng Xiaoping in saving the declining national economy which was greatly affected by the chaotic Cultural Revolution.

Acting against the "gang of four", Wan led the workers and cadres on the railways in criticizing ultra-left ideas and anarchism and in restoring normal railway operations. But in April 1976, when Deng Xiaoping was persecuted by the "gang of four", Wan was also dismissed from office.

After the downfall of the gang of four, Wan first served as secretary of the Anhui provincial party committee. In 1980 he became minister of the State Agricultural Commission, and he did a lot in pushing the rural reform. He concurrently served as chairman of the Central Afforestation Commission. He has been vice-premier of the State Council since 1980 and served as acting premier when Premier Zhao Ziyang was on visits abroad.

He was elected member of the Central Committee of the Communist Party of China (CPC) in 1977 at its 11th national congress, member of the Secretariat of the CPC Central Committee at the 5th Plenary Session of the 11th Central Committee in 1980, member of the Political Bureau and of the Secretariat of the CPC Central Committee in 1982 at its 12th national congress, and member of the Political Bureau again in 1987 at its 13th national congress.

From the period between 1949 when New China was founded and 1966 when the Cultural Revolution began, he served as vice-minister of engineering construction, minister of urban construction, and deputy mayor of Beijing. Under the leadership of Premier Zhou Enlai, he guided the construction of Beijing's 10 major projects including the Great Hall of the People. He also served as honorary president of the China Urban Development Scientific Research Society in 1984.

Wan Li was born into a poor peasant family in 1916 in Dongping County, Shandong Province. His mother worked hard to support the education of her only son. He graduated from a normal school in Shandong's Qufu, hometown of Confucius.

He joined the CPC in 1936 and during the War of Resistance Against Japan (1937-45), he served as secretary of a CPC county committee and head of the Propaganda Department and of the Organization Department of a CPC prefectural committee. During the war of liberation (1946-49), he served as member and secretary-general of the party committee of the Hebei-Shandong-Henan area. After the liberation of Nanjing in April 1949, he was deputy director of the Financial and Economic Committee of the Nanjing Military Control Commission, head of its Economic Department and director of its Construction Bureau.

Wan Li is a tennis enthusiast. He began playing tennis when he was 12 years old. He now plays tennis two or three times every week.

In 1986, Wan Li was awarded an Olympic gold order, presented by Juan Antonio Samaranch, president of the International Olympic Committee, for his contribution to the development of sports in China.

He is also a bridge fan and won a 1984 world bridge "Solomon Award". He is now honorary president of the Bridge Association of China.

**NPC Announcement on Deng Xiaoping Appointment**  
*OW081634 Beijing XINHUA Domestic Service*  
*in Chinese 1145 GMT 8 Apr 88*

[Text] Announcement of the National People's Congress  
of the People's Republic of China

No 3

On 8 April 1988, the First Session of the Seventh National People's Congress elected Deng Xiaoping as chairman of the Central Military Commission of the People's Republic of China.

The above is hereby announced.

[Announced by the] Presidium of the First Session of the Seventh National People's Congress of the People's Republic of China

8 April 1988, Beijing.

**Deng Reelected To Military Commission**  
*OW080420 Beijing XINHUA in English 0401 GMT*  
*8 Apr 88*

[Text] Beijing, April 8 (XINHUA)—Deng Xiaoping, 84-year-old architect of China's ongoing reform, was today reelected chairman of the Central Military Commission of the People's Republic of China.

Deng was elected at the First Session of the Seventh National People's Congress attended by 2,883 deputies here this morning.

Deng, who has held this post since June 1981, is also chairman of the Military Commission of the Central Committee of the Communist Party of China.

**Deng 'Most Powerful' Since Mao**  
*OW080544 Beijing XINHUA in English 0523 GMT*  
*8 Apr 88*

["Deng Xiaoping—Supreme Commander of China's Armed Forces"—XINHUA headline]

[Text] Beijing, April 8 (XINHUA)—Deng Xiaoping, chief architect of China's reform, was reelected chairman of the Central Military Commission of the People's Republic of China at a plenary meeting of the First Session of the Seventh National People's Congress today.

Hence, he continues to command the three million-strong Chinese People's Liberation Army.

Deng has held the post since June 1981. At the 13th National Party Congress five months ago, the veteran Chinese leader expressed his wish to quit the party Central Committee and its Political Bureau to help rejuvenate the party leadership. He was persuaded to keep the post of chairman of the Military Commission of the party Central Committee.

A veteran revolutionary, statesman, military strategist and diplomat, Deng was a founder of the People's Republic and the most powerful and influential leader of the country after Mao Zedong and Zhou Enlai passed away.

He guided the country to step out of the disasters of the "Cultural Revolution" (1966-76) and embark on the correct path of socialist modernization. He initiated and guided the implementation of the reform and the open policy, leading the country into a new period of development.

He was twice chosen, in 1978 and 1985, by the American "TIME" magazine as the most influential person in modern world affairs. A 1986 survey of 8,000 people in Beijing showed that among the Chinese and foreign living statesmen, Deng Xiaoping won the greatest number of votes to become the "most liked man of influence".

Deng has had a colorful career with many twists and turns. In the past 60 years of great upheavals, he weathered three major setbacks because he insisted on upholding the correct stand.

During the "Cultural Revolution", he was twice persecuted. From the very beginning of that catastrophe, he, as general secretary of the party Central Committee, and Chairman Liu Shaoqi of the People's Republic were labelled and criticized as the "top capitalist roaders inside the party".

He was dismissed from office and sent to do physical labor in a tractor plant in east China's Jiangxi Province. He, his ailing wife and aged step-mother spent three hard years there.

The exposure of the Lin Biao counter-revolutionary clique led to Deng's rehabilitation. With the support of premier Zhou Enlai, he resumed vice-premiership in 1973. After Zhou was hospitalized, Deng in January 1975 took up the posts of vice-chairman of the party Central Committee, vice-premier of the State Council, vice-chairman of the Military Commission of the party Central Committee, and chief of the General Staff of the Chinese People's Liberation Army, to be in charge of the day-to-day operations of the party and state.

When working as a benchworker back at the tractor plant, Deng pondered over what had happened in China and its future. He set about correcting the mistakes of the "Cultural Revolution" and took major measures to bring order out of chaos immediately after he was in charge of the day-to-day operations of the party and state.

However, his efforts were strongly opposed by the then powerful "gang of four". In April, 1976, a million people in Beijing gathered at the Tiananmen Square to mourn the death of Premier Zhou Enlai and at the same time expressed their opposition against the "gang of four" and their support for the correct line as advocated by Deng Xiaoping. He was labelled as the "chief backstage boss" of the incident and was dismissed from all his posts both inside and outside the party.



The year 1976 witnessed the deaths of Mao Zedong, Zhu De and Zhou Enlai, founders of the People's Republic, and the downfall of the "gang of four". At the time, problems and difficulties were enormous and the national economy was on the verge of collapse, and the then attention of the Chinese people was focused on where China should go.

Deng Xiaoping again took up leadership in July, 1977. Showing the courage and wisdom of a strategist, Deng advocated "seeking truth from facts" and "emancipating the mind" and taking the practice as the sole criteria in judging truth. This helped people eliminate their ossified ideas. The "resolution on certain questions in the history of our party since the founding of the People's Republic of China," which was written under his guidance and adopted at the 6th Plenary Session of the 11th CPC Central Committee in 1981, completely negated the "Cultural Revolution" and corrected the mistakes Mao Zedong made in his late years while appraising his contributions to the Chinese revolution.

While handling such touchy problems, Deng Xiaoping saved the country and at the same time prevented a new ideological confusion and a social chaos.

The emancipation of mind became the precursor of the well-known 3d Plenary Session of the 11th CPC Central Committee which was held at end of 1978. From then on, he led the Chinese people onto a new path of building socialism with Chinese characteristics. He has been the chief architect of all the major decisions in the past decade.

Deng Xiaoping was born on August 22, 1904 in a rural family in Guang'an County, southwest China's Sichuan Province. He was originally called Deng Xixian, and he changed the name to the present in 1927 when the Kuomintang started to massacre communists and when he had to work underground as a Communist Party member.

At the age of 16, Deng and a group of other Chinese students went to France on a work-study program with an idea of saving the China through boosting China's industry. He was there for five years and later became a revolutionary. He joined the Chinese Communist Youth League in 1922 and the Chinese Communist Party two years later. Many of his fellow students in European countries later became important leaders of the Chinese Communist Party, and the most influential was Zhou Enlai.

At the beginning of 1926, Deng left France for the Soviet Union to study in Moscow's Oriental University and then Sun Yat-sen University. Among his fellow students was a young man called Chiang Ching Kuo, who later ruled Taiwan for a dozen years.

Deng returned to China in 1927. The first place where he began his revolutionary activities in China was the Sun Yat-sen Military and Political Academy in Xi'an under the headquarters of Feng Yuxiang's united forces. He was the chief of the political section of the school and concurrently a political teacher as well as the secretary of a Chinese Communist Party organization there. A large number of junior military officers and party and government officials

were trained at this school which was actually set up by communists. And some of them later became generals leading the Red Army forces in northern Shaanxi Province.

In the following two decades of wars, Deng was known as an all-powerful army commander.

As a representative of the party central committee, the young Deng Xiaoping went to Guangxi in south China and led the Baise and Longzhou uprisings in 1929 and 1930 respectively, established the Seventh and Eighth Armies of the Red Army and the revolutionary base area along the Zuo (left) and You (right) rivers.

He took part in the world famous Long March from October, 1934, to October, 1935, covering some 12,500 kilometers, during which he attended the historic enlarged meeting of the Political Bureau of the CPC Central Committee held in Zunyi City, Guizhou Province, as the secretary general of the Chinese Communist Party Central Committee.

During the War Against Japanese Aggression, the Communist Party and the Kuomintang cooperated for the second time, and the workers' and peasants' Red Army was reorganized into the Eighth Route Army of the National Revolutionary Army. Deng became deputy director of the Political Department of the Eighth Route Army. In 1938, and then served as the political commissar of the No 129 Division, one of the three major troops of the Eighth Route Army, with Marshal Liu Bochong as its commander. There they worked together for 13 years.

During the eight-year anti-japanese war, the Liu-Deng Army took the Taihang Mountains as its base area to fight Japanese invaders. They directed many major battles and sent 38 regiments to join the 100-regiment battle against Japanese aggressors, which was organized by the Eighth Route Army.

In 1947, the 120,000-strong Liu-Deng Army crossed the Yellow River and advanced into the strategically important Dabie Mountains in central, marking the beginning of a full-scale counter-offensive mounted by the People's Liberation Army against the Kuomintang Army.

Together with marshals Liu Bochong and Chen Yi, Deng Xiaoping, secretary of the Front Committee of the party, directed the famous Huaihai Campaign, one of the three major campaigns during the Liberation War (1946 - 1949), which in 65 days wiped out 550,000 enemy troops. They again directed their one million troops in crossing a 500-kilometer section of the Yangtze River in April, 1949, and capturing Nanjing, the seat of the Kuomintang Government.

After that victory, Deng and Liu led their troops in liberating southwest China until the peaceful liberation of Tibet in 1951. Deng worked in southwest China for three years as secretary of the southwest bureau of the CPC Central Committee, military commissar of the Southwest Military Command and vice-chairman of the Southwest China Military and Political Commission.



Mao Zedong once praised Deng as a "rare talent". He served at key posts of the party, government and Army, and became a vice-chairman of the National Defence Council, chief of the General Staff of the Army, vice-chairman and chairman of the Central Military Commission after the founding of the People's Republic from a political commissar of a field army in the war years.

Deng was elected member of the CPC Central Committee at the Seventh National Party Congress in 1945, and became member of its Political Bureau in 1955. At the Eighth National Party Congress in 1956, he was elected general secretary of the party Central Committee and he served on that post for seven years.

He was reelected vice-chairman of the party Central Committee at the 11th Party National Congress in 1977, and was elected a Standing Committee member of the Political Bureau and chairman of the Central Advisory Commission at the 12th National Party Congress in 1982. From 1952 to 1980, he twice served as vice-premier of the State Council. He became chairman of the National Committee of the Chinese People's Political Consultative Conference in 1983.

Deng is familiar with international developments and worked out China's independent foreign policy of peace. For years, he has been busy with diplomatic activities. He has visited many countries and met at home foreign heads of state and government and other foreign guests. At the age of 76 in 1980, he was interviewed by the Italian woman journalist Oriana Fallaci for eight hours.

He led delegations of the Chinese Communist Party in talks with Soviet leaders between 1956 and 1963. As head of the Chinese Government delegation, he addressed the sixth special meeting of the United Nations General Assembly in 1974 and gave a comprehensive explanation about the theory on the three worlds.

He advanced the concept of "one country, two systems" to solve the Hong Kong and Macao issues left over from history, which is also a fair and reasonable principle that may be used for solving the Taiwan issue and realizing the reunification of the motherland.

Deng himself seldom mentioned his own experiences. His daughter Deng Lin said that she learned of her father's past only through the tabloids of the Red Guards during the "Cultural Revolution".

Deng Xiaoping only talked twice about himself as reported by the Chinese press. When meeting the Italian journalist Oriana Fallaci, he said: "It would be quite good if I'm assessed as 50 percent achievements and 50 percent mistakes. But one thing is sure that I have a clear conscience so far." He wrote in the preface of the English edition of "Collection of Deng Xiaoping's Writings" printed by Pergamon Press, a British publishing house: "I am a son of the Chinese people, and I cherish a profound love for my motherland and my people."

His hobbies are jogging, swimming and playing bridge. At the age of 80, he spent one hour and a half swimming in the sea at a stretch. He smokes and likes to enjoy Beijing operas

and watch football matches. Sometimes, he takes time out to cook traditional Sichuan hot dishes. According to his son Deng Pufang, his father cooks better than his mother.

He married Zhuo Lin during the anti-Japanese war, and they have two sons and three daughters.

**NPC Communique on Standing Committee**  
*OW081355 Beijing XINHUA Domestic Service*  
*in Chinese 1206 GMT 8 Apr 88*

[Text] Beijing, 8 Apr (XINHUA)—Communique of the National People's Congress [NPC] of the People's Republic of China

No 2

The chairman, vice chairmen, secretary general, and members of the Standing Committee of the Seventh NPC were elected by the First Session of the Seventh NPC on 8 April 1988.

Chairman: Wan Li

Vice chairmen: Xi Zhongxun, Ulanhu (Mongolian nationality), Peng Chong, Wei Guoqing (Zhuang nationality), Zhu Xuefan, Ngapo Ngawang Jigme (Tibetan nationality), Banqen Erdini Qoigyi Gyancan (Tibetan nationality), Seypidin Aizezi (Uygur nationality), Zhou Gucheng, Yan Jici, Rong Yiren, Ye Fei, Liao Hansheng (Tujia nationality), Ni Zhifu, Chen Muhua (female), Fei Xiaotong, Sun Qimeng, Lei Jieqiong (female), and Wang Hanbin.

Secretary general: Peng Chong (concurrent office)

Members (in order of the number of strokes in their surnames): Ding Guangxun, Ma Man Kei, Mamtov Kurban (Uygur nationality), Ma Hong, Ma Tengai (Hui nationality), Wang Yongxing, Wang Wei, Wang Dingyun (Bouyei nationality), Wang Jinling, Wang Houde, Wang Runsheng, Wang Meng, Wang Yaolun (Miao nationality), Zhaxi Wangqun (Tibetan nationality), Ou Tangliang (female), Deng Jiatai, Li Yining, Puncog Wangje (Tibetan nationality), Ye Shuhua (female), Ye Duzheng, Shi Laihe, Feng Zhijun (Hui nationality), Zhu Rong, Zhu Dexi, Wu Juetian, Ren Xinmin, Liu Danian, Liu Dongsheng, Liu Youguang, Liu Wei, Liu Yandong (female), Liu Nianzhi, Jiang Ping, Xu Jiataun, Xu Jialu, Sun Jingwen, Yin Fatang, Li Xuezhi, Li Peng [2621 2950], Li Gui, Li Jianbai, Li Xuanhua, Li Guiying (female; Yi nationality), Li Chonghuai, Li Qing, Li Qi, Li Ruishan, Yang Ligong, Yang Jike, Yang Ming (Bai nationality), Yang Chugui (female; Dong nationality), Yang Bo, Yang Lieyu, Yang Haibo, Yang Jun, Yang Keng, Wu Dakun, Wu Zhonghua, He Ying, He Huanfen (female), Zou Yu, Song Yiping, Song Zexing, Song Rufen, Song Chengzhi, Zhang Zaiwang, Zhang Youjun (Yao nationality), Zhang Chen (female), Zhang Chengxian, Zhang Ting, Chen Xian, Chen Zongji, Chen Shunli, Chen Suiheng, Lin Lanying (female), Lin Liyun (female), Lin Jianqing, Yu Wen, Zhou Zhanao, Meng Liankun, Zhao Fusan, Zhao Xiu, Hao Yichun (female), Hu Daiguang, Hu Keshi, H Jiwei, Hu Dehua (female), Yi Meihou, Duan Suquan, Yao Guang, Yao Jun, He Jinheng,

He Jingzhi, Qin Chuan, Yuan Xuefen (female), Mo Wenxiang, Gu Ming, Qian Min, Xu Yunbei, Xu Caidong, Xu Qichao, Aizin Giorro Pujie (Mani nationality), Gao Xiu, Gao Dengbang, Guo Liwen (female), Guo Xiuzhen (female), Tao Li, Tao Dayong, Tao Aiyong (Zhuang nationality), Huang Yukun, Huang Zhigang, Huang Shunxing, Cao Longhao (Korean nationality), Cao Siming, Fu Hao, Zhang Wenjin, Zhang Shiming, Zhang Ruiying (female), Qinggel-tai (Mongolian nationality), Liang Lingguang, Peng Qingyuan, Dong Jianhua, Dong Naifang (female), Dong Fureng, Dong Yinchu, Fu Kuiqing, Zeng Tao, Xie Huaide, Xie Tieli, Chu Zhuang, Cai Zimin, Xiong Fu, Yan Jinsheng, Pan Yan, and Henry Fok.

This is the announcement of the namelist.

[By] Presidium of the First Session of the Seventh NPC

8 April 1988, Beijing

#### Vice Chairmen Elected

OW080432 Beijing XINHUA in English 0414 GMT  
8 Apr 88

[Text] Beijing, April 8 (XINHUA)—Xi Zhongxun, Ulanhu, Peng Chong and 16 others were today elected vice-chairmen of the Standing Committee of China's Seventh National People's Congress (NPC).

Peng Chong was also elected secretary general of the NPC Standing Committee at the current NPC session attended by 2,883 deputies here this morning.

Among the 19 vice-chairmen, eight are newly-elected and the rest are reelected.

The eight new vice-chairmen are Xi Zhongxun, 74, Political Bureau member of the 12th Central Committee of the Communist Party of China (CPC); Ulanhu, 81-year-old Mongolian and former vice-president of the state; Ni Zhifu, 55, president of the All-China Federation of Trade Unions; Chen Muhua, 67-year-old female who is a State Councillor and governor of the People's Bank of China; Fei Xiaotong, 77-year-old sociologist and vice-chairman of the Sixth National Committee of the Chinese People's Political Consultative Conference (CPPCC); Sun Qimeng, 77-year-old educator and chairman of the Central Committee of the China Democratic National Construction Association; Lei Jieqiong, 82-year-old woman law expert and vice-chairwoman of the CPPCC Sixth National Committee; and Wang Hanbin, 62, secretary general of the Sixth NPC Standing Committee.

The eleven reelected vice-chairmen are Peng Chong, 73, Political Bureau member of the 11th CPC Central Committee; Wei Guoqing, 74 and of the Zhuang nationality, Political Bureau member of the Tenth, Eleventh and Twelfth CPC Central Committees; Zhu Xuefan, 83, chairman of the Central Committee of the Revolutionary Committee of the Chinese Kuomintang; Ngapoi Ngawang Jigme, 77-year-old Tibetan who was vice-chairman of the Third, Fourth, Fifth and Sixth NPC Standing Committees; Banqen Erdini

Qoigy Gyancan, 50-year-old Tibetan who is honorary president of the Buddhist Association of China and was vice-chairman of the Second, Fifth and Sixth NPC Standing Committees; Seypidin Aizezi, 73 and of the Uygur nationality, member of the Ninth, Tenth, Eleventh, Twelfth and Thirteenth CPC Central Committees; Zhou Gucheng, 89-year-old educator and chairman of the Central Committee of the Chinese peasants and Workers Democratic Party; Yan Jici, 87-year-old physicist and vice-chairman of the Central Committee of Jiusan Society; Rong Yiren, 72-year-old financier and vice president of the All-China Federation of Industry and Commerce; Ye Fei, 74, former commander of the Chinese Navy; and Liao Hansheng, 76 and of the Tujia nationality, former vice minister of National Defense and commandant of the Military Academy.

#### Profiles of Newly Elected NPC Vice Chairmen

##### Vice Chairman Xi Zhongxun

OW080812 Beijing XINHUA in English 0650 GMT  
8 Apr 88

[Text] Beijing, April 8 (XINHUA)—Xi Zhongxun, chairman of the Internal and Judicial Affairs Committee of the National People's Congress (NPC), was elected here today one of the 19 vice-chairmen of the Seventh NPC Standing Committee.

Born in Fuping County of Shaanxi Province in 1913, Xi joined the Communist Youth League in 1926 and the Communist Party in 1928.

Between 1926 and 1932, he engaged in student and peasant movements, and did party work among soldiers in the Northwest Army. After 1932, he led the peasant movements in Shaanxi and Gansu Provinces, and was chairman of the Shaanxi-Gansu border area Soviet Government.

From 1936 to 1943, he served as secretary of a prefectural party committee, political commissar of the garrison of the central Shaanxi military sub-area. After 1943, he became political commissar of the Shaanxi-Gansu-Ningxia Border Area Army Group, deputy head of the Organization Department of the CPC Central Committee, secretary of the Northwest Bureau of the CPC Central Committee, deputy political commissar of the Northwest Field Army and political commissar of the Northwest China Military Area.

After the founding of the People's Republic of China in 1949, he served as the first secretary of the Northwest Bureau of the CPC Central Committee, acting chairman of the Northwest China Military and Administrative Committee and chairman of the Northwest China Land Reform Committee.

After 1952, he became head of the Propaganda Department of the party Central Committee, secretary general of the Government Administration Council and vice-premier of the State Council.



After 1976, he served as the Guangdong provincial governor, first secretary of the Guangdong provincial party committee and first political commissar of the Guangzhou units of the Chinese People's Liberation Army.

He was also vice-chairman of the Standing Committee of the Fifth National People's Congress, member of the Standing Committee of the Fifth National Committee of the Chinese People's Political Consultative Conference, an alternate member of the seventh party Central Committee, member of the Eighth, 11th and 12th party Central Committees, member of the Secretariats of the 11th and 12th party Central Committees, and member of the Political Bureau of the 12th party Central Committee.

**Vice Chairman Peng Chong**

OW080842 Beijing XINHUA in English 0702 GMT  
8 Apr 88

[Text] Beijing, April 8 (XINHUA)—Peng Chong, a member of the Central Committee of the Communist Party of China (CPC), was elected today vice-chairman of the Standing Committee of the Seventh National People's Congress.

Peng, of Han nationality, was born in Zhangzhou of Fujian Province in March 1915. He joined the Communist Youth League of China in March 1933 and became a CPC member in August 1934.

After 1933, Peng was engaged in underground work for the CPC in Zhangzhou. Between 1937 and 1949, he held various posts inside the Communist-led New Fourth Army and the Chinese People's Liberation Army (PLA).

After 1949, Peng served as secretary general of the the Fujian Provincial Party Committee, Standing Committee member of the CPC Jiangsu Provincial Committee, Nanjing mayor and secretary of the CPC committee of Nanjing City, secretary of the CPC Jiangsu Provincial Committee, second political commissar of the PLA Nanjing Military Command and first political commissar of the PLA Shanghai Garrison. After 1976, Peng served as Shanghai mayor and secretary of the CPC Shanghai Municipal Committee.

He has been a deputy to all the National People's Congresses except the first one, vice-chairman of the Fifth and Sixth NPC Standing Committees and vice-chairman of the Fifth National Committee of the Chinese People's Political Consultative Conference.

He was elected an alternate member of the Ninth and Tenth CPC Central Committees, a member of the Eleventh, Twelfth and Thirteenth CPC Central Committees and a Political Bureau member of the Eleventh CPC Central Committee.

**Vice Chairman Ulanhu**

OW080822 Beijing XINHUA in English 0656 GMT  
8 Apr 88

[Text] Beijing, April 8 (XINHUA)—Ulanhu, former vice-president of the People's Republic of China, was elected today vice-chairman of the Standing Committee of the Seventh National People's Congress.

Ulanhu, of Mongolian nationality, was born in Inner Mongolia in December 1906. He joined the Communist Youth League of China in December 1923 and became a member of the Communist Party of China (NPC) in September 1925.

Ulanhu went to study at Zhongshan University in Moscow in 1925. After 1929, he worked as secretary of the CPC Work Committee in west Mongolia and the CPC committee of an independent brigade. Between 1945 and 1949, he served as chairman of the Suiyuan-Mongolia Government, chairman of the government of the Inner Mongolia Autonomous Region and secretary of the CPC regional committee, and commander and political commissar of the Inner Mongolia Military Command.

After the founding of the People's Republic of China in 1949, he served as a member of the Central People's Government, member of the National Defence Council, chairman of the Nationality Affairs Commission, president of the Central Nationalities Institute, chairman of the Suiyuan Provincial Government, vice-premier of the State Council, first secretary of the CPC Committee of the Inner Mongolia Autonomous Region, chairman of the region's People's Committee, commander and political commissar of the Inner Mongolia Military Command, head of the United Front Department of the CPC Central Committee and vice-president of China.

He was elected a deputy to all the seven National People's Congresses, vice-chairman of the Fourth and Fifth NPC Standing Committees, vice-chairman of the Fifth National Committee of the Chinese People's Political Consultative Conference, alternate member of the Political Bureau of the Eighth CPC Central Committee and Political Bureau member of the Eleventh and Twelfth CPC Central Committees.

**Vice Chairman Zhu Xuefan**

OW080904 Beijing XINHUA in English 0712 GMT  
8 Apr 88

[Text] Beijing, April 8 (XINHUA)—Zhu Xuefan, chairman of the Central Committee of the Revolutionary Committee of the Chinese Kuomintang, was elected today vice-chairman of the Standing Committee of China's Seventh National People's Congress (NPC).

Zhu, of Han nationality, was born in Jinshan County of Shanghai in June 1905. He graduated from the Shanghai Law School and studied at Harvard University in the United States.



Between 1927 and 1949, Zhu was engaged in trade union work and represented China in various international trade union organizations. He was elected a vice-president of the All-China Federation of Trade Unions in 1948.

After the founding of the People's Republic of China in 1949, he served as minister of posts and telecommunications and vice-president of the All-China Federation of Trade Unions.

He has been a deputy to the First, Second, Third, Fifth, Sixth and Seventh National People's Congresses. He was elected vice-chairman of the Fifth and Sixth NPC Standing Committees, delegate to the first session of the Chinese People's Political Consultative Conference (CPPCC), and Standing Committee member of the Second, Third and Fourth CPPCC National Committees.

**Vice Chairman Wei Guoqing**

*OW080902 Beijing XINHUA in English 0707 GMT  
8 Apr 88*

[Text] Beijing, April 8 (XINHUA)—Wei Guoqing, a veteran member of the Communist Party of China (CPC), was elected today vice-chairman of the Standing Committee of China's Seventh National People's Congress (NPC).

Wei, of Zhuang nationality, was born in Donglan County of Guangxi in September 1913. He joined the Communist Youth League of China in November 1929 and became a CPC member in February 1931.

He took part in the Baise Uprising in December 1929 and later became an officer in the communist-led Red Army. He served as a battalion and regiment commander of the Red Army during its Long March in 1934.

Between 1937 and 1949, he held various posts in the Eighth Route Army, the New Fourth Army and the Chinese People's Liberation Army (PLA), and served as mayor of Fuzhou and head of the Organization Department of the CPC Fujian provincial committee.

After the founding of the People's Republic in 1949, Wei served as head of China's military advisory mission in Vietnam, member of the national defence council, governor of Guangxi Province, first secretary of the CPC Committee of the Guangxi Zhuang Autonomous Region, secretary of the CPC Guangdong Provincial Committee, first political commissar of the PLA Guangzhou Military Command, director of the PLA General Political Department, Standing Committee member and deputy secretary general of the Military Commission of the CPC Central Committee. He was conferred the rank of a general of the PLA in 1955.

He has been a deputy to all the seven National People's Congresses, a member of the First NPC Standing Committee, vice-chairman of the Fourth, Fifth and Sixth NPC Standing Committees, vice-chairman of the Fourth and Fifth National Committees of the Chinese People's Political Consultative Conference, member of the Eighth, Ninth,

Tenth, Eleventh and Twelfth CPC Central Committees, and a Political Bureau member of the Tenth, Eleventh and Twelfth CPC Central Committees.

**Vice Chairman Ngapo Ngawang Jigme**

*OW080912 Beijing XINHUA in English 0716 GMT  
8 Apr 88*

[Text] Beijing, April 8 (XINHUA)—Ngapoi Ngawang Jigme, a Tibetan official, was elected today vice-chairman of the Standing Committee of China's Seventh National People's Congress (NPC).

Ngapoi, who is also chairman of the NPC Nationalities Committee and the People's Congress of the Tibet Autonomous Region, was born in Lhasa City of Tibet in February 1911.

After 1936, Ngapoi held various posts within the local government of Tibet. In 1951, he was the chief representative of the local government of Tibet for negotiations with the central government in Beijing and signed the agreement with the central government on peaceful liberation of Tibet. After 1952, he served as deputy commander of the Tibet Military Command and vice-chairman of the preparatory committee for establishing the Tibet Autonomous Region. After 1965, he served as chairman of the People's Committee of the Tibet Autonomous Region. After 1979, he served as chairman of the Standing Committee of the People's Congress and People's Government of the Tibet Autonomous Region.

He has been a deputy to all the seven National People's Congresses, and was elected vice-chairman of the Third, Fourth, Fifth and Sixth NPC Standing Committees and vice-chairman of the Third National Committee of the Chinese People's Political Consultative Conference.

**Vice Chairman Banqen Erdini Qoigyi Gyancan**

*OW080914 Beijing XINHUA in English 0720 GMT  
8 Apr 88*

[Text] Beijing, April 8 (XINHUA)—Banqen Erdini Qoigyi Gyancan, one of the two most influential leaders of the Yellow Sect of Tibetan lamaism, was elected today vice-chairman of the Standing Committee of China's Seventh National People's Congress (NPC).

Banqen, who is also honorary president of the Chinese Buddhists Association, was born in Xunhua County, Qinghai Province, in February 1938.

Banqen was chosen in 1941 as the reincarnation of the ninth Panchen Lama, who died in 1937, and became the tenth Panchen Lama with the approval of China's Central Government in 1949.

He was a member of the First NPC Standing Committee, vice-chairman of the Second, Fifth and Sixth NPC Standing Committees, and Standing Committee member of the Third and Fourth National Committees of the Chinese People's Political Consultative Conference.

**Vice Chairwoman Lei Jieqiong**  
*OW080956 Beijing XINHUA in English 0936 GMT*  
*8 Apr 88*

[Text] Beijing, April 8 (XINHUA)—Lei Jieqiong, chairwoman of the Central Committee of China Association for Promoting Democracy (CAPD), was elected today vice-chairwoman of the Standing Committee of the Seventh National People's Congress (NPC).

A native of Taishan, Guangdong Province, she was born in a Han nationality family in 1905. She went to the United States in 1924 for study and won M.A. degree there in 1931. After returning to China in the same year, she taught in Yanjing University. After 1938 she became a women's work activist during wartime in Jiangxi Province. After 1941, she taught sociology in universities in Shanghai and Beijing.

Lei attended the First Chinese People's Political Consultative Conference (CPPCC) in 1949. After 1953 she served as deputy dean of Beijing Political Science and Law Institute and deputy director of the Expert Affairs Bureau of the State Council. After 1973, she became a professor of International Politics and Sociology in Beijing University.

After 1977, she became vice-chairwoman of the CPPCC Beijing municipal committee, Beijing vice-mayor, vice-chairwoman and chairwoman of the CAPD, vice-president of the All-China Women's Federation and the China Association for International Understanding, and vice-chairwoman of the CPPCC National Committee.

She was elected a deputy to the First, Second, Third and Sixth NPC, a member of the Sixth NPC Standing Committee and vice-chairwoman of the NPC Law Committee, a member of the First CPPCC National Committee, and a Standing Committee member of the Fifth and Sixth CPPCC National Committees.

**Vice Chairman Zhou Guoheng**  
*OW080914 Beijing XINHUA in English 0728 GMT*  
*8 Apr 88*

[Text] Beijing, April 8 (XINHUA)—Zhou Guoheng, chairman of the Central Committee of the Chinese Peasants and Workers Democratic Party, was elected today vice-chairman of the Standing Committee of the Seventh National People's Congress (NPC).

Zhou, of Han nationality and a native of Yiyang County in Hunan Province, is also chairman of the NPC Education, Science, Culture and Public Health Committee.

Born in September 1898, Zhou, who is a historian, graduated from the English Department of the Beijing Senior Normal School. He worked as teacher in the early 1920s. After 1927, he worked as a writer and translator for two journals published by the commercial press in Shanghai. Between 1930 and 1949, he was professor and department director of Zhongshan, Jinan and Fudan Universities.

After the founding of the People's Republic of China in 1949, Zhou served as a professor of Fudan University, member of the the Shanghai People's Government, vice-chairman of the Standing Committee of Shanghai Municipal People's Congress and the Shanghai Municipal Committee of the Chinese People's Political Consultative Conference (CPPCC), and vice-chairman of the NPC Standing Committee.

He was elected a deputy to the First, Second, Third, Fifth, Sixth and Seventh National People's Congresses and a Standing Committee member of the Fifth CPPCC National Committee.

**Vice Chairman Fei Xiaotong**  
*OW080952 Beijing XINHUA in English 0918 GMT*  
*8 Apr 88*

[Text] Beijing, April 8 (XINHUA)—Fei Xiaotong, chairman of the Central Committee of the China Democratic League (CDL), was elected today vice-chairman of the Standing Committee of the Seventh National People's Congress (NPC).

Born 1910 in Wujiang County, Jiangsu Province, in November 1910, Fei, of Han nationality, is a graduate of Qinghua University and earned a Ph.D degree in social anthropology from London University.

After 1949, Fei, a well-known sociologist, served as a deputy dean of Qinghua University, vice-president of the Central Nationalities College, vice-minister of the Central Commission for Nationalities Affairs, deputy director of the Expert Affairs Bureau of the State Council, member of the CDL Central Committee, and vice-chairman of the CDL Beijing municipal committee.

After 1958, Fei remained a professor at the Central Nationalities College and was elected a member of the National Committee of the Chinese People's Political Consultative Conference (CPPCC).

His posts since 1978 include deputy director of Nationalities Institute of the Chinese Academy of Sciences, director of Sociology Institute of the Chinese Academy of Social Sciences, advisor to the State Nationalities Affairs Commission, member of State Council's Academic Degrees Committee, vice-chairman and chairman of the CDL Central Committee, vice-chairman of the CPPCC National Committee, and vice-chairman of the Committee for Drafting the Basic Law of the Hong Kong Special Administrative Region.

He was elected a deputy to the First NPC and CPPCC, a member of the Third and Fourth CPPCC National Committees, a member of the Standing Committee of the Fifth CPPCC National Committee and vice-chairman of the Sixth CPPCC National Committee.



**Vice Chairman Seypidin Aizezi**  
*OW080932 Beijing XINHUA in English 0723 GMT  
8 Apr 88*

[Text] Beijing, April 8 (XINHUA)—Seypidin Aizezi, a member of the Central Committee of the Chinese Communist Party and vice-chairman of the Standing Committee of the Sixth National People's Congress (NPC), was elected here today vice-chairman of the Seventh NPC Standing Committee.

Born into an Uygur family in Artux County in the Xinjiang Uygur Autonomous Region in 1915, he began doing revolutionary work in 1944 and joined the Communist Party in October 1949.

He served as secretary of the court martial and director of the Education Department of the provisional government of the Ili, Tacheng and Altay Prefectures in 1944.

After 1949, he was elected a member of the First National Committee of the Chinese People's Political Consultative Conference, member of the People's Central Government, member of the National Defense Council, vice-chairman of the Central Nationalities Affairs Committee, vice-chairman of the Xinjiang Provincial Government, deputy commander of the Xinjiang Military Area Command, head of the United Front Work Department of the Xinjiang sub-bureau of the party Central Committee, secretary of the sub-bureau, secretary of the Xinjiang regional party committee, chairman of the Xinjiang regional government, president of Xinjiang University, first secretary of the regional party committee, chairman of the Xinjiang Regional Revolutionary Committee, first political commissar of the Xinjiang Military Area Command and first secretary of the command's party committee.

He was elected vice-chairman of the Standing Committee of the First to Sixth National People's Congresses and granted the rank of lieutenant general in 1955.

He was also an alternate member of the Eighth CPC Central Committee and member of the 9th, 10th, 11th, 12th and 13th Central Committees, as well as an alternate member of the Political Bureaus of the 10th and 11th party central committees.

**Vice Chairman Sun Qimeng**  
*OW080954 Beijing XINHUA in English 0923 GMT  
8 Apr 88*

[Text] Beijing, April 8 (XINHUA)—Sun Qimeng, chairman of the Central Committee of China Democratic National Construction Association (CDNCA), was elected today vice chairman of Standing Committee of the Seventh National People's Congress (NPC).

Born into a Han nationality family in Xiuning County, Anhui Province, in March 1911, Sun graduated from Dongwu University in Suzhou and joined the Chinese Communist Party in 1950.

Sun served as general secretary of China Professional Education Society (CPES) in Chongqing after 1938. In 1945 he helped found CDNCA. After 1946, Sun became deputy director of the Shanghai CPES.

After 1949, he worked as deputy secretary general of the State Council and Preparatory Committee for the New Chinese People's Political Consultative Conference, as well as vice-minister of personnel.

After 1954, he served as deputy director of the Sixth General Office of the Central Financial and Economic Committee, deputy director of the Eighth General Office of the State Council, deputy secretary general of the NPC Standing Committee and CPPCC National Committee, vice-chairman and chairman of the CDNCA Central Committee, and vice-chairman of the All-China Federation of Industry and Commerce.

He was elected a deputy to the First to Fifth NPC and a Standing Committee member of the Second to Sixth CPPCC national Committees.

**Vice Chairwoman Chen Muhua**  
*OW080950 Beijing XINHUA in English 0914 GMT  
8 Apr 88*

[Text] Beijing, April 8 (XINHUA)—Chen Muhua, member of the Central Committee of the Communist Party of China (CPC), state councillor and governor of the People's Bank of China, was elected today vice-chairwoman of the Standing Committee of the Seventh National People's Congress (NPC).

Born in Qingtian County of Zhejiang Province in June 1921, she became a CPC member in June 1938.

After 1938, she studied at the Chinese People's Anti-Japanese Military and Political College in the revolutionary base of Yan'an. She served as staff officer of the Yan'an Garrison Regiment and a researcher at a Yanan Military Science Institute. After 1945, she served as staff officer at the Rehe Military Area Command headquarters and deputy president of a railway central hospital in northeast China.

After 1950, she worked in the ministry of railways, State Planning Commission and Foreign Economic Liaison Administration and committee. After 1971, she served as vice-minister and minister of foreign economic liaison, vice-premier, minister in charge of State Family Planning Commission, director of the Central Patriotic Public Health Campaign Committee, minister of foreign economic relations and trade, honorary chairwoman of the board of directors of the Bank of China and member of the Central Financial and Economic Leading Group.

She was elected a deputy to the 5th, 6th and 7th National People's Congresses and member of the 10th through the 13th CPC Central Committees. She was elected an alternate member of the Political Bureaus of the 11th and 12th CPC Central Committees.



**Vice Chairman Ni Zhifu**

OW080938 Beijing XINHUA in English 0832 GMT  
8 Apr 88

[Text] Beijing, April 8 (XINHUA)—Ni Zhifu, member of the Central Committee of the Communist Party of China (CPC) and president of the All-China Federation of Trade Unions, was elected vice-chairman of the Standing Committee of the Seventh National People's Congress (NPC) here today.

Born in Shanghai in May 1933, Ni, of Han nationality, became a member of the CPC in October 1958.

After 1950, he served as an apprentice in Shanghai, a fitter in the Beijing Yongding Machinery Plant, an engineer, deputy chief engineer and chief engineer.

After 1978, he served as secretary of the party committee of the Beijing Yongding Machinery Plant, president of the Beijing Municipal Federation of Trade Unions, secretary of the Beijing municipal party committee, vice-chairman of the Beijing Municipal Revolutionary Committee, second secretary of the Shanghai municipal party committee, first vice-chairman of the Shanghai Municipal Revolutionary Committee, second secretary of the Beijing municipal party committee and vice-chairman of the Beijing Municipal Revolutionary Committee.

After 1978, he served as president of the All-China Federation of Trade Unions, vice-minister of the Machine-Building Industry Commission of the State Council and secretary of the Tianjin municipal party committee.

He has been a member of the Ninth-13th CPC Central Committees. He was elected an alternate member of the Political Bureau of the 10th CPC Central Committee and a member of the Political Bureau of the 11th and 12th CPC Central Committees.

**Vice Chairman Liao Hansheng**

OW080936 Beijing XINHUA in English 0826 GMT  
8 Apr 88

[Text] Beijing, April 8 (XINHUA)—Liao Hansheng, vice-chairman of the Standing Committee of the Sixth National People's Congress (NPC), was elected vice-chairman of the Seventh NPC Standing Committee here today. He is also the chairman of the NPC Foreign Affairs Committee.

Liao, a native of Sangzhi County, Hunan Province and of Tujia nationality, was born in November 1911. He joined the Communist Party of China (CPC) in July 1933.

Between 1934 and 1937, he fought in guerrillas in Sangzhi and Hefeng County of Hubei Province. From 1934 to 1937, he served as a political commissar of a Red Army division.

Between 1937 and 1945, he became deputy regimental commander, regimental political commissar, deputy brigade political commissar and acting brigadier in the 120th division of the CPC-led Eighth Route Army.

After 1945, he served as a political commissar of the Jiangnan Military Area, deputy political commissar of the Jinbei Field Army, and political commissar of Jinsui No 1 Column and No 1 Army.

After 1949, he served as secretary of the Qinghai provincial party committee, vice-chairman of the provincial government, political commissar of the provincial military command, director of the Political Department and deputy political commissar of the Northwest China Military Area Command.

After 1954, he became vice-minister of national defense. After 1958, he became commandant of the Military Academy and political commissar of the Beijing Military Area Command.

Between 1967 and 1972, he was persecuted and imprisoned during the "Cultural Revolution".

After 1973, he became political commissar of the Academy of Military Sciences and first political commissar of Nanjing and Shenyang Military Area Commands. In 1955, he was conferred the rank of lieutenant general.

He was elected a deputy to the First through the Sixth National People's Congresses and vice-chairman of the Sixth NPC Standing Committee. He was elected an alternate member of the 8th CPC Central Committee and a member of the 11th and 12th CPC Central Committees.

**Vice Chairman Yan Jici**

OW080931 Beijing XINHUA in English 0759 GMT  
8 Apr 88

[Text] Beijing, April 8 (XINHUA)—Yan Jici, vice-chairman of the Central Committee of the Jiusan Society, was elected today vice-chairman of the Standing Committee of the Seventh National People's Congress (NPC).

Yan, of Han nationality, was born in Dongyang County, Zhejiang Province, in December 1900. He joined the Jiusan Society in 1948 and the Communist Party of China in January 1980.

After graduating from Southeast University in 1923, Yan went to study at Paris University in France, where he received M.A. and Ph. D. degrees. Between 1927 and 1949, he served as professor of several Chinese universities, director of research and academician of the Central Academy of Scientific Research.

After the founding of the People's Republic of China in 1949, he served as director of the Institute of Applied Physics and president of Northeast China Branch of the Chinese Academy of Sciences, professor and president of the Chinese University of Science and Technology, and vice-president of the China Association for Science and Technology.

He has been a deputy to all the seven National People's Congresses, a member of the Third, Fourth and Fifth NPC Standing Committees and vice-chairman of the Sixth NPC Standing Committee.

**Vice Chairman Rong Yiren**

OW080933 Beijing XINHUA in English 0803 GMT  
8 Apr 88

[Text] Beijing, April 8 (XINHUA)—Rong Yiren, a noted Chinese entrepreneur, was elected today vice-chairman of the Standing Committee of China's Seventh National People's Congress.

Rong, of Han nationality, was born in Wuxi City of Jiangsu Province in May 1916. A graduate of the Department of History of St. John University, Rong is now a member of the China Democratic National Construction Association and President of the China International Trust and Investment Corporation.

After 1937, Rong served as manager and director of his family establishments in Wuxi and Shanghai. After 1950, he served as general manager of a Shanghai Textile Corporation and a member of the Financial and Economic Commission of the East China Military and Administrative Committee.

After 1957, he served as a deputy mayor of Shanghai Municipality, vice-minister of the textile industry and advisor to the State Import and Export Administrative Commission. Since 1979, he has served as president of the China International Trust and Investment Corporation and vice-chairman of the All-China Federation of Industry and Commerce.

He has been a deputy to all the seven National People's Congresses, and was elected a member of the Fourth and Fifth NPC Standing Committees, vice-chairman of the Sixth NPC Standing Committee, a Standing Committee member of the Third and Fourth National Committees and vice-chairman of the Fifth National Committee of the Chinese People's Political Consultative Conference.

**Vice Chairman Ye Fei**

OW080934 Beijing XINHUA in English 0807 GMT  
8 Apr 88

[Text] Beijing, April 8 (XINHUA)—Ye Fei, vice-chairman of the Standing Committee of the Sixth National People's Congress (NPC), was elected today vice-chairman of the Seventh NPC Standing Committee. He is also the chairman of the NPC Overseas Chinese Committee.

Ye, a native of Nan'an County, Fujian Province, was born in May 1914. He joined the Chinese Communist Youth League in 1928 and became a member of the Communist Party of China (CPC) in 1932.

He served as commander at varying levels in the Red Army, the new Fourth Army and the Chinese People's Liberation Army before the People's Republic was founded in 1949.

After 1949, he served as governor of Fujian Province and first secretary of the Fujian provincial party committee, deputy commander of the Nanjing Military Area Command, commander and political commissar of the Fuzhou Military Area Command, member of the National Defense Council and member of the Secretariat of the East China Bureau of the CPC Central Committee.

He was persecuted and imprisoned between 1967 and 1973 during the Cultural Revolution (1966-1976). He became minister of communications in 1975 and served as commander and first political commissar of the Chinese Navy and first secretary of the Navy party committee after 1979.

In 1955, he was conferred the rank of general.

He has been a deputy to all the Seven National People's Congresses, and was elected vice-chairman of the Sixth NPC Standing Committee and chairman of the NPC Overseas Chinese Committee. He was elected an alternate member of the 8th and 10th CPC Central Committees and a member of the 11th CPC Central Committee.

**Vice Chairman Wang Hanbin**

OW081056 Beijing XINHUA in English 1025 GMT  
8 Apr 88

[Text] Beijing, April 8 (XINHUA)—Wang Hanbin, a member of the Chinese Communist Party (CPC) Central Committee, was elected today vice-chairman of the Standing Committee of the Seventh National People's Congress (NPC).

He served as secretary general of the Sixth NPC Standing Committee and is the chairman of the NPC's Law Committee.

Born into a Han nationality family in Huian, Fujian Province in August 1925, Wang joined the CPC while studying at a middle school in Rangoon, the Burmese capital, in 1941. In the following year, he went to Xinan (southwest China) United University to study history. He took charge of the work of underground party organizations in Qinghua and Beijing Teachers Universities after 1946.

After 1949, he became head of the College Work Department of the Beijing municipal committee of the Chinese Communist Youth League, political secretary of the Beijing municipal party committee, deputy director of the Policy Research Office of the Beijing municipal party committee, and was elected an alternate member of the Beijing municipal party committee. He served as deputy secretary general of the Beijing municipal party committee after 1958.

Wang was persecuted and sent to do manual labor during the Cultural Revolution from 1966 to 1973. After 1979, he served as deputy director and secretary general of the NPC Standing Committee's Commission of Legislative Affairs. He also served as deputy secretary general of the NPC's Commission for Revision of the Constitution, and the NPC Standing Committee.



After 1983, Wang became secretary general of the NPC Standing Committee, director of the committee's Commission of Legislative Affairs, and vice-chairman of the Committee for Drafting the Basic Law of the Hong Kong Special Administrative Region.

Wang was elected a deputy to the Sixth NPC and a member of the 12th and 13th CPC Central Committees.

**NPC Election Procedures for Leaders Described**  
*OW080158 Beijing XINHUA in English 0144 GMT*  
8 Apr 88

[Text] Beijing, April 8 (XINHUA) — China's 2,879 deputies to the First Session of the Seventh National People's Congress (NPC) this morning began electing president and vice-president of the state, chairman, vice-chairmen, secretary general and members of the NPC Standing Committee, and chairman of the State Central Military Commission.

This is the first round of elections held at the current NPC session.

Ministers of China's State Council, diplomatic envoys from various countries to China as well as some 250 journalists from foreign countries, Hong Kong and Macao and over 400 Chinese journalists observed today's election.

At nine a.m., Song Ping, executive chairman of the Presidium of the current NPC session, declared the meeting open. The deputies first approved by a show of hands the scrutineers chosen by the 31 delegations.

Each deputy was issued four votes: a red one for state president and vice president, an orange one for chairman, vice-chairmen and secretary general of the NPC Standing Committee, a yellow one for chairman of the State Central Military Commission, and another orange one for members of the NPC Standing Committee.

On the right-hand side of the name of each candidate is a white oblong block. The deputy should leave the block as it is if he or she votes for the candidate, fill the block with black ink if he or she is against the candidate, and fill the block with black ink and then draw a vertical line across it if he or she abstains.

Votes are printed in the Han, Mongolian, Tibetan, Uygur, Kazak, Korean, Yi and Zhuang languages. If the deputy is against the choice of a certain candidate, he or she can write down the name of his or her choice in the lower half of the vote.

Altogether 25 ballot boxes are placed in the hall, including three on the rostrum. In the rear of the hall are enclosed spots for deputies to fill in their votes in secret. This is the first time in New China's history to use such enclosed spots in an election.

All the votes will be computer-processed. However, abstentions will be calculated manually because of failure to reprogram the computer.

**Comparison of Second NPC News Conference 30 Mar**

Beijing Television Service in Mandarin at 1130 GMT on 30 March carries a report on the second news conference held at the NPC with deputies from Shanghai and Fujian. The television version has been compared with the version carried by Beijing Domestic Service in Mandarin at 0300 GMT on 30 March entitled "NPC Delegates From Shanghai, Fujian Meet Press" and published in the 30 March China DAILY REPORT on pages 6 thru 10, revealing the following variations:

Page six, column two, end of paragraph two should read: ... of Fuzhou City. May I now ask the head of the Shanghai delegation to say a few words.

[Zhu Rongji] Ladies and gentlemen, comrades and friends: I am very pleased to attend this news conference today, particularly because some of my old friends are present here. Comrade Jiang Zemin, mayor of Shanghai Municipality, is currently on an overseas tour and cannot attend this news conference. I have been working in Shanghai for less than 2 months, so I am not the best one to answer your questions about Shanghai. If I cannot answer your questions today or if my answers are not correct, please forgive me. Thank you.

[Zeng Tao] May I ask Comrade You Dexin, vice governor of Fujian Province, to say something.

[You Dexin] Friends: We welcome you to today's news conference. Since we have distributed to you a paper giving a brief account of Fujian, I will not say anything more. However, I would like to announce that Fujian will hold a provincial meeting on 8 September this year in Xiamen City to negotiate for foreign trade and investment. We will invite about 1,000 representatives from industrial and business circles to attend this meeting. The mayors of Xiamen and Fuzhou and I are now ready to answer your questions. [supplying additional passages]

Same page, column two, paragraph three, sentence one: [Reporter] I am a JINGJI RIBAO reporter. [clarifying name of newspaper]

Page seven, column two, first full paragraph, sentence one should read: ... [You Dexin] Fujian is situated nearest to Taiwan. The shortest distance between them is 70 nautical miles. Xiamen and Jinmen are only 2 km apart. Therefore, [supplying additional passage]

Page eight, column two, first partial paragraph, following sentence 11 should read: ...serious traffic problem. On 24 March, I arrived in Shanghai via CPA Flight No. 903 from Hong Kong. This was my first visit to Shanghai in 40 years. After I arrived there, I was scheduled to fly directly to Beiping [Beijing] by a connecting flight in the evening, which was from Tokyo and destined for Beiping. I wanted to go to Beiping without delay. But at 2100 there was an announcement saying that Shanghai had a



dense fog and planes could not take off there. So the flight from Tokyo went directly to Beijing. Under such circumstances, I had to remain there. I saw the poor situation at this international airport. Only two female attendants hurried up and downstairs to solve our problems. By as late as 0100 that night, I still did not know what to do or whom I should contact. Not until after 0100, did someone come and ask the passengers of Flight No. 903 wishing to go to Beijing to check at window number so and so. I went back and forth and could not find the right person to contact. At nearly 0100 [as heard], under their guidance, I finally took a car and arrived at a guesthouse. At the guesthouse, they arranged for me to share a room with a person I had never met before, saying that if I did not like this arrangement, I had to pay a room charge. Finally, I agreed to pay because I was a stranger there and I was somewhat fearful — the environment was quite strange to me. As a result, I paid 20 yuan for a room in which I stayed by myself. This was a case where you had an obligation to provide passengers with accommodations. I feel that Shanghai is an international port and market and hope that it will increase its capability of meeting contingencies. The second [as heard] point is that due to this impression, I feel Shanghai has a serious traffic problem. [supplying additional passage]

Page nine, column one, first partial paragraph, following sentence one, should read: ...a key issue. It is also the greatest headache I have met with since I went to Shanghai. I sympathize deeply with you for what you experienced at the airport, and I am as dissatisfied as you. I don't want to shirk my responsibility. It is not true that because the airport and civil air transport are matters of the Civil Aviation Administration at the central level, Shanghai has no responsibility. Shanghai is also responsible because it has not paid much attention to the improvement of the airport. Now I can tell Mr Zhou that we have a large-scale project to expand the international airport in Shanghai. Last week we signed a contract with the Netherlands for expanding the terminal building at the Shanghai airport. [supplying additional passage]

Same page, column one, first partial paragraph, following sentence five, should read: ... sewage treatment project. These five major projects will begin or have already begun this year. [supplying additional sentence]

Same page, column one, third full paragraph should read: ...for their view. [new paragraph]

[You Dexin] The People's Congress, from its central organ down to the local organs, has always given full play to democracy. For instance, the 70 members of our delegation were elected by over 500 local deputies from among 93 candidates in an entirely democratic manner. Our 70-member Fujian delegation has come here to attend the NPC and discuss state affairs, which is our sacred duty. [providing speaker's name, rewording paragraph]

Page ten, column two, second paragraph, only sentence: ...figure relatively late. I hope you will believe my figure now. My figure can stand examination. I have nothing to worry about in announcing the figure now because the hepatitis epidemic is over and there is no more high tide. So my announcement of the figure will not create a panic. [new paragraph]

[Zeng Tao] Thank you all. Good-bye. [supplying additional passage and deleting last paragraph]

Page eight, column one, second full paragraph, and same page, column two first full paragraph, "unidentified voice" should be identified as You Dexin.

All other "unidentified voice" references in this article refer to Zhu Rongji.

**Current NPC Session Called Open, Democratic**  
*OW080330 Beijing XINHUA in English 0325 GMT*  
8 Apr 88

["Eight 'Firsts' Set by NPC Session"—XINHUA headline]

[Text] Beijing, April 8 (XINHUA)—The First Session of the Seventh National People's Congress will go down in history by setting eight "firsts" in the 34-year annals of New China's parliament although the congress will continue through next Wednesday.

Political observers here list the eight "firsts" as follows:

1. For the first time competitive election is adopted in electing members of the National People's Congress Standing Committee;
2. For the first time enclosed spots are arranged for deputies to fill in their votes in secret;
3. A record number of some 250 reporters from foreign countries, Hong Kong and Macao and over 400 Chinese reporters are covering the session;
4. For the first time foreign reporters are allowed to sit in on panel discussions;
5. For the first time foreign, Hong Kong and Macao reporters are allowed to cover elections of state leaders;
6. For the first time press conferences during the session are televised live;
7. For the first time a reporter from Taiwan came to cover the session;
8. For the first time the opening ceremony of the National People's Congress session on March 25 was broadcast live in English by Radio Beijing.

On the basis of this analysis, observers here described the current NPC session as the most open and democratic one since the Chinese version of parliament was opened in 1954.

### **NPC Deputies Continue Discussions, Suggestions**

**Ulanhu Joins Nei Monggol Discussions**  
*OW071021 Beijing XINHUA Domestic Service  
in Chinese 1249 GMT 6 Apr 88*

[Text] Beijing, 6 Apr (XINHUA)—Comrade Ulanhu called on the Nei Monggol delegation to the current NPC session this morning to join in discussions on how to accelerate the development of agricultural and animal husbandry production and cultural, educational, and scientific and technological undertakings in Nei Monggol.

Deputy Batu Bagen, chairman of the Autonomous Regional People's Congress Standing Committee, briefed Ulanhu on the panel discussions held by the Nei Monggol Delegation over the past few days, saying that the deputies have set the rather realistic goal of achieving self-sufficiency in grain within the next 5 to 8 years. Ulanhu said: If the methods are correct, it will not be too difficult to shake off poverty and become well off. Nei Monggol has many strong points and is rich in natural resources, especially wool. They must be fully utilized. Ulanhu asked: "What about developing animal husbandry in farming areas?" Deputy Li Gui, vice chairman of the NPC Nationalities Committee, said: In recent years animal husbandry has developed rapidly in Nei Monggol's farming areas, and the total number of cattle in farming and semifarming areas already exceeds that in pastoral areas.

Ulanhu said: A developed livestock industry can bring considerable economic benefits. Nei Monggol should promote its economic development in the light of the reality there. Water conservancy projects must be constructed in the farming areas. Ulanhu said low productivity and low scientific and cultural levels are main causes of backwardness in Nei Monggol. He called for vigorous efforts to increase productivity and promote science, culture, and education so as to stimulate the Autonomous Region's economic growth. Nei Monggol should also actively engage in border trade and open wider to the outside world.

**Tomur Dawamat on Supervisory Role**  
*OW071055 Beijing XINHUA Domestic Service  
in Chinese 1118 GMT 6 Apr 88*

[Text] Beijing, 6 Apr (XINHUA)—Tomur Dawamat, NPC deputy chairman of the Xinjiang Uygur Autonomous Regional People's Government, said people's governments at all levels must consciously accept the supervision of people's congresses and their standing committees, as that is a sure way of improving government work.

Speaking at a group discussion, Tomur Dawamat said an important function of governments is to ensure the implementation of state laws, regulations, ordinances, principles, and policies. As law enforcement is a major task of governments, they must firmly abide by the law in doing all work.

In addition, they must also examine and correct lawbreakers. He emphasized: The supervisory role of people's congresses and their standing committees has become increasingly important with the continuous development of socialist democracy. Governments at all levels must earnestly implement the laws and resolutions adopted by people's congresses and their standing committees, and accept their legal as well as working supervision.

Tomur Dawamat said: Generally speaking, the State Council and local governments have been making progress year after year in accepting the supervision of people's congresses and their standing committees. However, some problems still remain. The major ones are as follows:

1. Some government cadres do not understand the importance of laws, and some leading cadres lack understanding of implementing policies; thus they are not accustomed to abiding by the law. For instance, after the promulgation of the law on autonomy for minority areas, some localities in Xinjiang still fail to abide by the law or to strictly enforce it, and the policies formulated by the relevant departments demand uniformity in everything. It is necessary to educate government cadres, particularly leading cadres, in legal knowledge so as to make them change their old concepts and work methods and to enable them to guide government work by legal means. Thus they will ensure the enforcement of all laws.

2. Some government functionaries have a poor understanding of the nature, status, and role of people's congresses, and fail to understand their relationship as servants and masters. Some comrades hold that supervision of governments by people's congresses is a restriction, saying that they are against it. This is wrong. Our country's political system determines that people's congresses shall be organs where the people exercise their right as masters of the country and that people's congresses and their standing committees shall exercise supervision over government work. By consciously accepting their supervision, governments can promote close ties with the masses, and this will in turn enable governments to do their work well.

3. The limits, contents, forms, and procedures of supervision need to be improved because there are no systematic, specific, and standard methods for doing this.

Tomur Dawamat said: The development of the situation requires that we further improve our socialist supervisory system.

**Delegates Discuss Land Reform**  
*HK080657 Beijing RENMIN RIBAO in Chinese  
4 Apr 88 p 2*

[Report by correspondents Ling Zhujun (0407 1807 6511) and Jiang Yaping (5592 0068 1627): "NPC Delegates Call for Reunderstanding Land, Maintaining Reform of Land-Use System"]

[Text] At the forum held by the State Land Bureau yesterday afternoon, five delegates to the NPC from Guangdong, Jiangsu, Hebei, and Jilin felt extremely



anxious about the question of land in China. Unless we effectively check the declining trend in the quantity and quality of cultivated land, they said, there will be disastrous consequences for the Chinese nation in the near future.

Over the past 5 years there have been 9.23 million cases involving illegal occupation of cultivated land, an average of over 5,000 cases a day. This was a fact quoted from a motion entitled "Strengthen Land Management" proposed by Wei Jiankun, a delegate from Hebei, 2 days ago. A total of 37 delegates immediately signed their names in support of the proposal. Meanwhile, the delegates from Heilongjiang also proposed a similar motion. This indicated that the delegates attending the current congress have been paying close attention to the question of land. Moreover, Wei Jiankun and four other delegates followed with greater interest the occupation of cultivated land under legal excuses.

"It takes 10,000 years for a piece of land to take shape and decades to turn low-yield land into high-yield cultivated land," Guangdong delegate Zeng Shaoke (vice chairman of Guangdong People's Congress Standing Committee) said, "but it can also be taken away overnight with a document signed by a certain department."

In recent years China's cultivated land has decreased at an average of 10 million mu a year, and the population has increased by 10 million. The contradiction between a large population and limited cultivated land has become increasingly acute. "If this state of affairs is allowed to continue, in the near future it will be difficult for China to feed and clothe the people with its available land," Hui Liangyu, a delegate from Jilin (vice governor of Jilin) said with deep regret: "We are now plundering land from our ancestors and consuming the food of our descendants."

"We are always talking about effecting a change from the traditional to a modernized agriculture. However, on what basis should we effect a change of land?" Wei Jiankun said, "Without the skin, where can the hair be adhered?"

Wu Guangnan, a delegate from Jiangsu (research fellow from the agricultural biological genetic physiological research institute of Jiangsu Academy of Agricultural Science), said: "There is now an 'industrial inclination' in many localities. True, we can make a good profit from industry. So far, however, there is no industrial method that can imitate plant functions and turn carbon dioxide, water, and sunlight into carbohydrates, a necessity for the human body. The land crisis constitutes a crisis for human existence."

Xia Hengxi, a delegate from Hebei (vice president of Hebei Agricultural University), made an appeal: "We should acquire a reunderstanding of the land under us. Above all, the governments at various levels should change their outdated concepts of land."

The delegates pointed out the following outdated concepts that should be changed:

—The concept of China as a big country abounding in natural wealth in which it does not matter whether or not a bit of land is occupied. China's most essential national condition is a large population with limited arable land.

—The tendency to be eager for quick success and instant gain from land use. We must focus our attention on long-term economic development.

—The concept of using land gratuitously or at a low price. Land should have a price and the price should reflect the rareness and shortage of land.

—The concept of management over land by man. We should rely on laws to exercise management over land.

The five delegates unanimously called for adopting legislation as quickly as possible to promote the progress of reform in this field.

#### Union Leader on Production Safety

OW071354 Beijing XINHUA in English 1123 GMT  
6 Apr 88

[Text] Beijing, April 6 (XINHUA)—Zhang Ruiying, vice-chairman of the All-China Federation of Trade Unions and a deputy to the ongoing session of the Seventh National People's Congress (NPC), called on officials at all levels to pay greater attention to safety in production.

She told the "WORKERS' DAILY" that last year accidents claimed more than 80,000 lives and caused damages valued at five billion yuan (about 1.35 billion U.S. dollars).

The deputy accused some leaders of neglecting safety regulations, saying that 98 percent of the major accidents were due to negligence.

She pointed out many enterprises do not include production safety measures in the contracts regarding the enterprises' operation and management.

The deputy added that many workers are working overtime, especially those in the garment, building and light industries. "This will damage workers' health and lead to accidents in production," she warned.

She said had [as received] tabled a motion to the National People's Congress last year for a law governing working hours.

This time she is asking for another law on safety in production in enterprises. Such a law is particularly important now that enterprises are adopting contract systems for better economic returns, Zhang added.

**Taiwan Deputies Discuss Hainan**  
*OW071001 Beijing XINHUA Domestic Service*  
*in Chinese 1307 GMT 3 Apr 88*

[(By reporter Lu Xiaohua and Central People's Broadcasting Station reporter Ruan Gusen)]

[Text] Beijing, 3 Apr (XINHUA)—What deserves attention in the forthcoming large-scale development of Hainan, an island which rather closely resembles Taiwan in geographical environment and natural conditions? On the afternoon of 2 April, the Taiwan provincial delegation to the current NPC session carried out a heated discussion and offered valuable suggestions on the establishment of Hainan Province and on its development into a special economic zone.

Deputy Cai Zimin expressed the opinion that Hainan should attach importance to the education of the local people with a view to raising their quality in addition to attracting competent people from outside to work on the island. This work, he said, should be put in a relatively important position.

Deputy Huang Shunxing, who advocated environmental protection while in Taiwan, said: Care should be given in drawing up plans for Hainan's industrial area. It is necessary to make a good assessment of environmental effects and not to seek quick success and immediate benefits at the expense of ignoring environmental protection. The practice of "making money first, polluting the environment first, and taking remedial measures later" is extremely wrong. It can cause untold troubles for our descendants. He added: Out of selfishness, some industrially developed countries in the world try to relocate their chemical plants in developing countries of the Third World. Hainan Dao must pay attention to this matter in its development process, and its construction program must give consideration to guarding against such action.

Supplementing the above, Deputy Fan Zengsheng, presently deputy director of the Shanghai Harbor Bureau, said: After the establishment of Hainan Province, first of all, a concrete development plan with a rational industrial and transportation layout and provision for business and residential facilities should be drawn up on the basis of adequate investigation and study. In his opinion, development of an area should be carried out within the limits of the capabilities of that area. The availability of natural resources and manpower and the possible achievement should all be taken into careful consideration.

Deputy Lin Liyun pointed out the need to help people of minority nationalities in developing their economy and culture and raising their economic status in the course of Hainan's development.

**Stress Grasslands Development**  
*OW070915 Beijing XINHUA Domestic Service*  
*in Mandarin 0650 GMT 3 Apr 88*

[Excerpts] Beijing, 3 Apr (XINHUA)—Two deputies from pastoral areas jointly presented a proposal to the First Session of the Seventh NPC on making grass cultivation the foundation in the development of pastoral areas.

Early in the morning at their lodging place, the Jingxi Guesthouse, Liu Ruo, NPC deputy and a woman professor of the Pastoral Department of Gansu Agricultural University, and Xu Peng, NPC deputy, president of Xinjiang August 1 Agricultural College, and an expert on grasslands, jointly drew up a five-point proposal on developing China's five major pastoral regions. The proposal includes the following points:

1. Make grass cultivation the foundation in developing pastoral areas. China has five major pastoral regions: Nei Monggol, Xinjiang, Qinghai, Tibet, and Gansu. These regions are raising more than 100 million domestic animals in their vast grasslands. Grass cultivation is an essential part of agriculture, and animal husbandry accounts for a large proportion of the national economy. We must actively promote animal husbandry by developing grasslands. Only by doing so, can we increase the ratio of commodity livestock.
2. Strictly enforce the law. China has enacted a pastoral law. We must strictly enforce it; otherwise, it will be nothing but a dead letter. [passage omitted]
3. Increase investment in grasslands. [passage omitted]
4. Strengthen science and technology work in grasslands. [passage omitted]

**Huang He Economic Zone Proposed**  
*OW071327 Beijing XINHUA Domestic Service*  
*in Chinese 0820 GMT 7 Apr 88*

[(By reporter Zhang Jinsheng and correspondent Yan Zhengde)]

[Text] Beijing, 7 Apr (XINHUA)—After repeated consultations, leaders from Gansu, Qinghai, and Ningxia attending the the First Session of the Seventh NPC have decided on a joint proposal for an economic development zone in the upper reaches of the Huang He.

The promulgation of the economic development strategy for coastal regions has brought up a new challenge as well as a sense of urgency and crisis to the western regions. Deputies from Gansu, Qinghai, and Xining maintained that they must face up the challenge and grasp the opportunity to promote development. The key is "developing east-west and west-west cooperation with the east and west supply each other's needs." The east and west should promote each other's development. To further promote cooperation within the western regions, Gansu Governor Jia Zhilin, Qinghai Governor Song Ruixiang, and Bai Lichen, chairman of the Ningxia Hui Autonomous Region, have held repeated consultations during the NPC session and come up with the idea of jointly developing the upper reaches of the Huang He.

The reporters have been told that the upper reaches of the Huang He is the region in the two provinces and the autonomous region with the most hydroelectric and mineral resources. Survey shows that 900-km river course between the Longyang Gorge and Qingtong Gorge passes along many



steep slopes where a drop is as high as 1,400 meters. Fifteen power stations with a combined installed capacity equivalent to the power stations between the three Chang Jiang gorges could be built on these mountain slopes. By utilizing bountiful local coal resources, eight electric power stations could be built near the coal mines, thus developing the region into a big energy base. This base will help promote the development of mineral resource and large ferroalloy, nonferrous metals, carbonic acid, and salt-based chemical industrial bases. Developing hydroelectric resources in this region requires little investment, a short construction period, and yields quick results.

To make this idea a reality requires a large amount of capital. Leaders of the two provinces and the autonomous region suggested that they should find ways to raise funds instead of relying on state investment. The measures they plan to adopt are: 1) attracting foreign investment with preferential policy; 2) in developing "compensation trade" with coastal regions, purchase of shares, joint investment, and exclusive investment should be allowed; 3) collecting electric capital construction fees according to the present policies, and use the money exclusively for this purpose; 4) lifting all restrictions on local raw materials prices and invest the income in regional development; 5) raising the depreciation rate of existing power stations and recycling the depreciation funds into the development of hydroelectric power; and 6) setting up a bank for the development of the upper reaches of the Huang He and its board of directors as well as a special development fund.

**Economist Urges Constitutional Amendments**  
*HK080536 Beijing CHINA DAILY in English*  
8 Apr 88 p 4

[By Wu Xiaoming]

[Text] More amendments should be made to the Constitution besides the recognition of private business and approval of the transfer of land-use rights which the Communist Party proposed to the current National People's Congress session.

These additional amendments were advocated by Cao Siyuan, an economist in Beijing who was active in drafting the country's bankruptcy law, in his interview with CHINA DAILY during the ongoing NPC debate.

The opinions of Cao, 42, to back up the economic reform and the rule of law, have been widely published in the last few years.

"The reform and progress since the late 1970s have made the drawbacks of the current Constitution, imperceptible when it was enacted in late 1982, stand out more and more sharply," he said.

He suggested that no individual's name be mentioned in the Constitution, including Mao Zedong in the Preamble.

It does not seem appropriate, he explained, for any person's name to appear in such an important legal document as the Constitution.

The Constitution is neither a textbook nor a resolution; it should make no judgement on any individual's historical status. To mention individuals' names will detract from the Constitution's status, he said.

At the same time, the principle that "the people's interests are paramount" should be embraced by the Constitution.

This State principle will replace the various slogans put forward in different periods as the nation's most important political principles and tasks.

Those principles and tasks were often implemented and then changed during political campaigns, causing chaos and tremendous harm to the nation, Cao recalled.

The people's interests will stand as a dominant and irreplaceable basic aim of the nation, he said. And this principle will leave the broadest possible room for society's various creative activities.

Regarding Article 51 which reads: "The exercise by citizens of the People's Republic of China of their freedoms and rights may not infringe upon the interests of the State, of society and of the collective, or upon the lawful freedoms and rights of other citizens," Cao suggests that a sentence, "These restrictions must be specified by law," be added after it.

If any organization or individual can interpret the "infringement" at will, he explained, the tragedy of the "cultural revolution" may recur when, on various excuses, the freedoms and rights of most citizens were deprived while those of a minority were unchecked.

Every citizen, he added, should have the right to do what is not forbidden by law, and no one should force other citizens to do what is not required by law.

Another sentence, Cao proposed, should be added to Article 37 concerning the protection of citizens from mistreatment: "Everyone should be presumed to be innocent unless convicted otherwise by law at a people's court."

The principle of presumption of innocence was condemned as a "bourgeois liberal slogan" during many political campaigns, he said.

The opponents to this principle claimed that instead of presumption of innocence or guilt, China implements the principle of "based on facts and judged by law."

"But how would you make a judgement when there's a lack of facts?" he asked.

China's failure to practice this principle in the past 38 years has been a serious mistakes, Cao said.

The Constitution should also stipulate that all NPC sessions be televised and all speeches of the deputies be published in the NPC bulletins.

They should be available to everyone interested, unless a two-thirds majority of those who attend the session decide otherwise, Cao proposed. He first made the suggestion earlier this year.

Cao said many people hoped that the televising of the 1986 debates at the Sixth NPC Standing Committee about the bankruptcy law was not accidental.

Such publicity should become a rule to guarantee citizens' "right to know" and enhance their sense of democracy, he said.

To let the public hear their voices is both the right and obligation of the deputies, who are elected the spokespeople of the public, he believes.

A big loophole in China's Constitution, Cao said, is that it had not stipulated what legal procedures are needed to suspend certain articles of the Constitution.

But the absence of such procedures partly accounts for the tragedy during the "cultural revolution," when most articles of the Constitution at that time were virtually invalidated without approval of the legislature, he said.

He suggested, therefore, that an article be added to the Constitution about the power of the NPC Standing Committee: "The Standing Committee decides that the nation be in a state of emergency and declared that certain articles of the Constitution be suspended within a specified period of time. However, this decision must be approved to remain valid by the National People's Congress summoned within two months after the decision has been announced."

Cao also suggested that China's socialist economy be recognized as market-oriented by the Constitution.

#### Note Defects in Enterprise Law

HK080530 Beijing CHINA DAILY in English  
8 Apr 88 p 3

[By staff reporter Xu Yuanchao]

[Text] Delegates to the current National People's Congress (NPC) yesterday said that the draft law governing the State-owned enterprises, awaiting approval by the NPC, still has defects which may hamper the initiative of co-operating enterprises.

Lang Baoxiang, general manager of China Huanyu Union Co. Ltd, told a press conference in Beijing's Great Hall of the People that the law has summed up the practices and experience in China's economic reform but many things which are being studied and those which have been proved to be successful are not included in the law.

He pointed out that the emergence of large numbers of consolidated enterprises and enterprise groups is the inevitable result of a developing commodity economy and a new trend in urban economic reforms. These enterprises will give impetus to the development of socialist production.

All of this is not included in the law, Lang said. If there is not enough time for the current NPC session to revise it, additional explanation is needed so that the new NPC Standing Committee can work out supplementary laws on the basis of the opinions gathered.

Wang Peizhou, executive vice-president of the Baoshan Iron and Steel Works, said the enterprise law defines the factory director's central position in the enterprise, his managerial authority, rights and obligations.

There are three associations clarified in the law—the manager's responsibility and rights in regard to the profits and made losses [as published] of the enterprise; the interests of the State and enterprises with those of the individual, and the operation of the enterprise with State controls and regulations.

When the law is passed, the situation of State-owned enterprises "sharing food from the same big pot" will be brought to an end.

#### Entrepreneurs on Workers Rights

OW072340 Beijing XINHUA in English 1434 GMT  
7 Apr 88

[Text] Beijing, April 7 (XINHUA)—The workers are still masters of enterprises in China following the introduction of the director responsibility system, said deputies to the National People's Congress.

Speaking at a press conference here today, Wang Peizhou, deputy director of the Shanghai Baoshan steel works, said the workers congress examines and approves management principles, annual production plans, distribution programs, major technical projects and welfare affairs.

In addition, he said, the workers have the right to supervise cadres and make proposals to higher levels to remove incompetent managing personnel.

Lang Baoxiang, general manager of the China Huanyu Union Co. Ltd., said the right of workers is fully respected and protected.

He said workers congresses examine work reports by directors and managers. The managing committees composed of representatives of workers, trade union and youth league organizations participate in decision-making discussions and cadres are supposed to collect opinions from them on management and production.

Wang Peizhou complained that his factory does not have enough decision-making power in business management.

"Relevant departments under the State Council still take charge of the allocation of our raw materials and the marketing of our products," he said.

But he was optimistic that it would not be long when his works gets those powers, because the draft enterprise law is expected to be approved by the current session of the National People's Congress.



A reporter asked whether some deputies had raised the issue of allowing workers to go on strike.

Lang replied that he had not heard any deputy raising this issue.

"As I understand it, all problems can be settled through consultations between the management and workers," Lang said.

**Deputy Proposes Antismoking Campaign**  
*OW071134 Beijing XINHUA in English 1322 GMT*  
6 Apr 88

[Text] Beijing, April 6 (XINHUA)—Thirty-three deputies to the current session of the National People's Congress have submitted a motion against smoking.

The motion was sponsored by Zhu Siming, a professor of physiology from coastal Jiangsu Province.

It calls for working out an anti-smoking regulation, which should ban smoking in public places, ban smoking among students, ban selling cigarets to people below 18, ban cigaret advertisements in the mass media, and ban acts of smoking in theatrical performances, and require cigaret packs bear the sign: "Smoking is harmful, please quit it."

Zhu said that the government can raise the prices of cigarets to compensate for the losses in revenue resulting from the above ban.

China is the biggest cigaret producer and consumer in the world. It has 200 million smokers, and produces 288 billion cigarets a year.

The World Health Organization has designated April 7 as non-smoking day, and Zhu hoped that the Chinese Government will make it a permanent non-smoking day every year by legal means.

He said that the anti-smoking campaign in the United States has cut the incidence rate of heart diseases by some 30 percent.

**CPPCC National Committee Session Continues**

**Press Conference Televised Live**

*OW081131* [Editorial Report] Beijing Television Service in Mandarin at 0700 GMT on 8 April carries a 143-minute live telecast of the second press conference of the First Session of the Seventh CPPCC National Committee from the East Hall of the Great Hall of the People in Beijing. The press conference is presided over by Sun Yiqing, deputy secretary general of the CPPCC National Committee.

At 0659 GMT, the caption "Officials of the Democratic Parties Meet Chinese and Foreign Reporters (Live Coverage)" is shown. At 0700 GMT, live coverage begins with a long shot of the East Hall. At 0702 GMT, leaders of the various democratic parties, led by Sun Yiqing, are seen

walking into the hall and taking their seats at a long table. After making introductory remarks, Sun Yiqing introduces the leaders of the democratic parties. They are, from right to left on the television screen: Cai Zimin, member of the presidium of the Taiwan Democratic Self-Government League; Lin Shengzhong, chairman of the presidium of the Taiwan Democratic Self-Government League; Dong Yinchu and Huang Dingchen, chairman and vice chairman, respectively, of the Central Committee of the China Zhi Gong Dang; Chu Zhuang and Lei Jieqiong, vice chairman and chairman, respectively, of the Central Committee of the China Association for Promoting Democracy; Qian Weichang and Fei Xiaotong, vice chairman and chairman, respectively, of the Central Committee of the China Democratic League; Sun Yiqing; an unidentified female interpreter; Zhu Xuefan and Jia Yibin, chairman and vice chairman, respectively, of the Central Committee of the Revolutionary Committee of the Chinese Kuomintang; Sun Qimeng and Wan Guoquan, chairman and vice chairman, respectively, of the Central Committee of the China Democratic National Construction Association; Zhou Gucheng and Fang Rongxin, chairman and vice chairman, respectively, of the Central Committee of the Chinese Peasants' and Workers' Democratic Party; and Zhou Peiyun and Sun Chengpei, chairman and vice chairman, respectively, of the Central Committee of the Jiu San Society.

At 0713 GMT, after explaining the ground rules of the press conference and saying that he expects the press conference to end at about 0830 GMT, Sun Yiqing invites reporters to ask questions. Several reporters are seen raising their hands to seek permission to ask questions. They ask questions in succession in Chinese and the interpreter translates them into English.

At 0720 GMT, leaders of the democratic parties begin to answer questions. Although several foreign reporters are seen in the conference hall, all the questions are asked in Chinese by local or Hong Kong reporters.

The first several questions are asked in succession by Chinese reporters and concern views on multiparty cooperation, democratic consultation, and mutual supervision. The CPPCC participants give general answers to these questions, noting the good situation.

Among the topics discussed are whether the democratic parties are truly independent and their relations with the CPC, how well the parties have done in recruiting new members, China's policy on intellectuals, relations between the Revolutionary Committee of the Chinese Kuomintang and the Kuomintang in Taiwan, and views on a big-character poster put up at Beijing University yesterday. To this last question, a CPPCC participant answers that he did not see the poster, but that it shows that students are concerned with national affairs. Other topics discussed include Hong Kong media criticism of the election of the elderly Zhou Gucheng as chairman of an NPC special committee, and prospects for national reunification.

At 0923 GMT, Sun Yiqing declares the conference at an end and live coverage ends.

**Multiparty Cooperation Urged**  
*OW072358 Beijing XINHUA in English 1029 GMT  
7 Apr 88*

[Text] Beijing, April 7 (XINHUA)—The Communist Party of China must always cooperate and unite with all the people in exercising its leadership in socialist construction, said Hu Sheng, a party historian and member of the Seventh National Committee of the Chinese People's Political Consultative Conference (CPPCC).

The specific interests of different people at different times may differ though the basic interests of the whole people are identical, Hu explained, adding "this is more true in the primary stage of socialism".

People's views and understanding of issues may also differ in the course of reforms, opening to the outside world and developing a commodity economy, said Hu, who is also president of the Chinese Academy of Social Sciences.

"Therefore, it is essential to fully exchange different views and to bring into full play the wisdom and experience of the whole people in building socialism," Hu said.

"Democratic parties can play their role in communicating with people from different walks of life," he said.

"However", he pointed out, "the democratic parties in China are different from 'opposition parties' in the West because they are responsible for socialist construction together with the Communist Party."

"Multi-party cooperation under the leadership of the Communist Party and consultations among parties are one of the characteristics of China's democratic system," he said.

The Communist Party, as the country's ruling party, can benefit much from opinions, suggestions and criticisms from different parties, he noted.

He said that multi-party cooperation plays a vital role in the primary stage of socialism, which centers around economic and political reforms and developing the productive forces and socialist ideology.

**Delegate Speaks on Society**  
*OW070901 Beijing XINHUA Domestic Service  
in Chinese 1520 GMT 2 Apr 88*

[Excerpts] Beijing, 2 Apr (XINHUA)—At 1545 today, Qian Jiaju, member of the CPPCC National Committee, walked up to the platform at the Great Hall of the People to address the Seventh CPPCC National Committee, which was holding the third meeting of its first session. His speech was repeatedly interrupted by the applause of fellow CPPCC members.

When he spoke about commodity prices and education, his first topics, the entire hall burst into applause 17 times.

Touching on the general mood of society, the China Democratic League vice chairman, who is in his late 70's, said: "Social ethics are deteriorating and have become an issue among the people today. Many people of broad vision speak bitterly about this subject. A number of party members and government cadres use the power at their disposal to engage in malpractices for selfish gains, embezzle public funds, or commit even graver economic crimes. It has become common knowledge that one can do almost nothing without throwing a dinner party or sending some gifts to people involved. Although the number of people doing this is not large, their influence can shake the country's foundations." [passage omitted]

Facing the brightly lit hall, Qian Jiaju emphatically said: How can we change the general mood of society? I have three suggestions:

First, we must increase the salaries of public servants to enable them to maintain a decent living without engaging in malpractices. [passage omitted]

Second, we must strictly enforce law and discipline. To cultivate good social ethics, it is necessary to begin by rectifying party and government work style. When officials are corrupt, how can we expect the general public to observe law and discipline? The lack of a comprehensive, sound legal system contributes to an unhealthy party and government work style. However, a comprehensive legal system is useless unless it is abided by everyone and enforced strictly. [passage omitted]

Third, we must strengthen media supervision. Qian Jiaju's words sounded more loudly as everyone listened: Media supervision significantly supplements law and discipline when the legal system is not comprehensive and the law is not enforced fairly and equitably. Some leaders are not afraid of being cited in internal circulars, but they are afraid of appearing in the press. In recent years many newspapers carry letters from readers and investigative reports written by their reporters. These letters and reports have helped correct many unhealthy practices and reverse verdicts of many frameup cases. Such reportages should be vigorously promoted. We expect reporters to have a sense of responsibility and feel proud about themselves. They should seek truth from facts and report the bad as well as good news. [passage omitted]

**Speech Text Publication Sought**  
*HK080713 Hong Kong ZHONGGUO TONGXUN SHE  
in Chinese 1331 GMT 4 Apr 88*

[Report: "Many CPPCC National Committee Members Hold That Beijing Papers Should Carry the Text of Famous Economist Qian Jiaju's Speech"—ZHONGGUO TONGXUN SHE headline]

[Text] Hong Kong, 4 Apr (ZHONGGUO TONGXUN SHE)—According to reports from Beijing, many CPPCC National Committee members who had read all the Beijing newspapers on 3 April told some reporters that these newspapers had made a really inappropriate decision not to publish the text of Mr Qian Jiaju's speech.



During the third meeting of the First Session of the Seventh CPPCC National Committee on 2 April, well-known economist Qian Jiaju delivered an impassioned speech on three hot topics, namely, commodity prices, education, and the general social mood. His speech was interrupted by thunderous applause 31 times. All major newspapers in Beijing carried abridged versions of his speech the next day.

CPPCC National Committee member Guo Haichang said: I listened to Qian Jiaju's speech with tears in my eyes.

A CPPCC National Committee member belonging to the KMT [Kuomintang] Revolutionary Committee group said: The abridged versions of Qian Jiaju's speech published by Beijing newspapers are far less attractive than the full text. I am looking forward to the publication of the full text. I also hope that RENMIN RIBAO will devote special pages to publishing the full texts of speeches delivered by Qian Jiaju and some other CPPCC National Committee members during the session.

This CPPCC National Committee member's view was seconded by Wang Xijue, another CPPCC National Committee member, who had piloted a China Airline cargo plane to return to the China Mainland from Taiwan.

Some reporters here said they had already tried their best to quote all the major points of Qian Jiaju's speech in their reports despite the limited space of their newspapers.

#### Candidates Lists Approved

OW071316 Beijing XINHUA in English 1222 GMT  
7 Apr 88

[Text] Beijing, April 7 (XINHUA)—Namelists of candidates for leaders of the Seventh National Committee of the Chinese People's Political Consultative Conference (CPPCC) were unanimously approved at the third meeting of the Presidium of the CPPCC session here today, and will be submitted to the plenary session for election on April 10.

The namelists include candidates for the chairman, 28 vice-chairmen, the secretary-general and 310 members of the Standing Committee of the National Committee of the CPPCC. The number of candidates is equal to the number of posts.

Li Xiannian, executive chairman of the Presidium, presided over today's meeting. He said the current CPPCC session is one of unity conducted in a democratic way. He said the personnel arrangement of state leadership proposed by the Central Committee of the Chinese Communist Party and discussed and deliberated by democratic parties and people's organizations, "is proper and reasonable".

Li said the CPPCC has achieved great success under the leadership of Mao Zedong, Zhou Enlai, Deng Xiaoping and Deng Yingchao over the past 40 years. "We will unite and achieve even greater successes in the future," he said.

A namelist of scrutineers and general scrutineers was also adopted at today's meeting.

It approved a draft political resolution of the First Session of the 7th CPPCC National Committee and a draft report on the examination of motions raised at the session. The draft documents will be submitted to the plenary session for approval.

#### Decisionmaking Role Urged

HK080548 Beijing CHINA DAILY in English  
8 Apr 88 p 4

[By Wang Gangyi]

[Text] In their panel discussions during the past few days, members of the Seventh National Committee of the Chinese People's Political Consultative Conference (CPPCC) urged more legal action to ensure their participation in the decisionmaking process of the country's political, economic and social life.

Wang Wenyi from Heilongjiang Province said that political consultation, which is one of the two basic features of the CPPCC, has not been emphasized enough in the Constitution. Although there are regular meetings between the Communist Party and other political parties, "more detailed regulations are needed to make such consultations more systematic," he said.

Zhou Yate from Hubei Province noted that the National Committee should help local CPPCC organizations to define their status and function in local political affairs and economic construction. His view was echoed by Xu Laizi from the Inner Mongolian Autonomous Region, who said that the definitions and unified stipulations should be made as soon as there are appropriate conditions to promote CPPCC work in local areas.

Many members had strong criticisms of government handling of their proposals made during the past five years of the Sixth CPPCC National Committee. They said that many government departments have not attached enough importance and seriousness to the proposals.

Wu Rong complained that the reply, "We will hold discussions on it," is becoming a standard answer to members' proposals. Even worse, he added, quite a number of proposals, especially those made by local CPPCC members, have been neglected completely by local government without even the courtesy of a reply.

Guo Fucan and Li Chenghao suggested that the CPPCC's Proposal Handling Commission be enlarged to 50 people with more younger members.

Yuan Shixian said that dialogues between the Communist Party and other political parties and people's organizations is a common form of "political consultation and democratic supervision."

"However, such dialogues should be conducted before a decision is made, otherwise, they will be meaningless," he said. "Secondly, the members should be informed of the topic to be discussed as early as possible so that they have time to prepare."

Yan Mingfu said, "Among more than 2,000 CPPCC National Committee members there are several hundred professors, researchers, senior engineers and other professionals. The central government should fully respect their views to guarantee that its decisions are made on a more scientific basis."

He pointed out that CPPCC members could also do a lot towards reunification. "At the present time, when the Taiwan authorities insist on not having official contact with the mainland, we can act as a bridge," he said.

He also said that the CPPCC should consider the reform of its own organization to make it more efficient.

"Many members have suggested that working groups be expanded into working committees and the annual meeting of the conference be reformed. This requires a special group to work out a general reform plan."

**Hong Kong, Macao Members on Hainan**  
OW070921 Beijing XINHUA Domestic Service  
in Chinese 1254 GMT 3 Apr 88

[By reporter Duanmu Laidi]

[Excerpts] Beijing, 3 Apr (XINHUA) —CPPCC National Committee members from Hong Kong and Macao are showing great concern for the development and construction of Hainan Special Economic Zone. They have expressed their opinions and made many suggestions in the hope that Hainan can have an early takeoff.

About half of the members from Hong Kong and Macao attending the First Session of the Seventh CPPCC National Committee are well-known entrepreneurs and economists. They have expressed their approval of and support to the State Council's proposal for establishing Hainan Special Economic Zone. Tao Kaiyu, general manager of Beitai Heji Company in Macao, said: Hainan is a good place with beautiful scenery and abundant natural resources. Economic development in Hainan has good prospects. Now the government has decided to establish Hainan Province and enforce a policy which will be more flexible than those for the present special economic zones. I am convinced that, through hard work over a certain period, Hainan's development will be very fast.

Member Qiu Chengzhang, chairman of the board of Macao Jinhua Petroleum Company, Limited, happily said: The adoption of more open and flexible measures for Hainan is conducive to absorbing foreign capital, importing advanced technology, attracting capable people, expanding economic and technological cooperation and exchanges with foreign countries, and speeding up economic development. He said: Many of my friends in business circles in Hong Kong and Macao have expressed their willingness to invest and set up factories and do business in Hainan. [passage omitted]

Member Wu Duotai, chairman of the board of Hong Kong International Hongxin Investment Company, Limited, who was born in Hainan, is convinced that using Hainan's superior conditions to develop tourism is the most effective way to gather funds and speed up basic construction there. [passage omitted]

Member Min Jianhu, who is a scholar and has spent many years in studying international investment and trade, said: "From the beginning of the establishment of Hainan Province, we should have a good system and economic structure in order to ensure the successful development of economic construction." He pointed out: "We must stress the market economy system in Hainan, simplify administrative departments, give enterprises the power to decide their own wage policy, allow free flow of the labor force, permit workers to select their own jobs, and give enterprises the power to dismiss workers."

He particularly mentioned problems concerning reform of the administrative and management system, the increase of administrative efficiency, and the elimination of bureaucratic workstyle. He said that solving these problems will play an important role in attracting foreign capital. [passage omitted]

**Scientific Research Focus Debated**  
HK080600 Beijing CHINA DAILY in English  
8 Apr 88 p 5

[By Qi Ming]

[Text] A few years ago, most scientific research institutes started changing their focus from basic science research to applied sciences and practical problems. Ever since, scientists and engineers have argued over whether the new emphasis will be beneficial or disastrous to the country's development.

At the current first session of the National Committee of the Chinese People's Political Consultative Conference, member-scientists and engineers continued their debate at group discussions.

The government has called for the change of focus as a way to reform scientific institutes which for a long time delved into basic researches, oblivious of the economic needs.

Basic research funds have been reduced, and many scientists are encouraged to seek support from industries by handling production problems. Quotas are set for the scientists to turn in a large percentage of the profits to the institutes or the State. Meanwhile, they in turn can earn more money than they get from their salaries.

Several members, however, expressed their concern. They say the new emphasis has driven many scientists to look for practical problems in order to make enough money to meet the quota. Fewer scientists are willing to do basic theoretical study, which is time consuming, costs a lot of money, is hard work and doesn't bring in profits.



Meanwhile, basic research for industrial application is also inadequate because researchers are encouraged to go for projects that bring quick results and profits, said Zhang Kaixun, a senior engineer from the Research Institute of Automation affiliated with the State Machinery Industry Commission.

This has adversely affected quite a few major enterprises that are operating below their capacity for lack of high-tech research and development.

For instance, he said, a manufacturer of instruments and meters in Shanghai used to be one of the main suppliers of meters and similar devices in the country. It lost out when foreign-made apparatus appeared in the market.

One way to revive the factory is to help it adapt to advanced technology. However, so far, no research project is underway because of the shortage of research funds. The factory has had to turn to producing timers for washing-machines, Zhang said.

If the trend continues, he believes the country will not have a solid enough foundation in science for future development.

Ma Xiangping, a senior engineer from Zhejiang Bureau of Chemistry Industry, said the government should help scientific and technological research institutes choose different focuses. For instance, the National Science Academy and other educational institutions can engage in basic scientific research, while research institutes affiliated with industrial ministries can probe into application of basic research for major national projects and enterprises. Provincial and local research facilities can concentrate on helping enterprises adopt new technology and develop new products.

However, Wu Dacheng, from Chengdu University of Science and Technology, pointed out that the problems of science research divorced from economic development still exists. Many researchers remain unwilling to handle practical and production problems. Tradition dies hard.

The country's several major factories for high polymer products have imported a number of pieces of advanced equipment, most of which have not been fully utilized. It is the job of the scientists and engineers to study and tackle the problem, but little headway has been made so far because few people in high polymer research want to exert the effort.

But to shoulder both basic and practical research and to meet the achievement quota has been difficult for many institutes, said Hua Ningxi, senior engineer from the Paper-making Research Institute affiliated with the Ministry of Light Industry.

Those who study practical problems may turn out more profits, while those in basic research may produce little money. Equal distribution of the profits may anger those in practical research. If those in practical research earn a lot more, those in basic research will leave their projects, he said, since everybody draws small salaries.

In contrast, Gu Yuquan, senior engineer from the Shanghai Bureau of Textile Industry, said the most serious problem with the country's scientific research lies in the inadequate efforts in turning research results into productivity. Much less has been invested in research and development by the industrial quarters in the country than that by their counterparts abroad.

In recent years, the country's technological advancement has only contributed about 27 to 33 percent to the country's economic growth, while in developed countries, technological advancement has contributed between 50 to 60 percent to development.

Hou Xianglin, former vice-minister of the Petroleum Industry, noted that it costs a lot of money and time to adapt modern scientific research results to production. The investment may be huge while there is no guarantee that the results will improve production. Thus, industries are unwilling to take the risk.

Hua Ningxi suggested that industries allocate a little more money to research and development. Competition should be introduced into industrial sectors so that factories are encouraged to adopt more advanced technology.

#### Zero Population Growth Proposed

OW080158 Beijing XINHUA in English 1049 GMT  
7 Apr 88

[Text] Beijing, April 7 (XINHUA)—China should strive for early zero population growth and limit its total population to 1.5 billion by the middle of the next century, an expert on population said here today.

Speaking at the fourth plenary meeting of the current session of the Chinese People's Political Consultative Conference (CPPCC), Wu Cangping, deputy director of the China Population Science Training Centre, gave a gloomy outline of the population problem China is facing:

— The population reached 1.08 billion by the end of last year, and China is about to have its third birth boom since the founding of the People's Republic in 1949;

— Population growth is not likely to stop within the next 50 years. By then, the country will have 1.4 to 1.5 billion people;

— China now has 92 million people who are over 60, more than 50 million handicapped people, and among those who are over 12 years old, from one fifth to a quarter are illiterates or semi-illiterates.

Wu said that laws and regulations on family planning and eugenics should be promulgated as early as possible so as to solve problems such as early marriage and birth, conception before marriage and multiple births by one woman.

**Equal Rights for Women Urged**  
*HK080348 Beijing CHINA DAILY in English*  
8 Apr 88 p 1

[By staff reporters Li Xing and Wang Guangyi]

[Text] Chinese women still do not enjoy the same right to education as men even though they make up half the population, Kang Keqing and Luo Qiong, two of China's most prominent women, said yesterday.

In a joint speech at a meeting of the National Committee of the Seventh Chinese People's Political Consultative Conference (CPPCC), they said the number of illiterate or semi-literate women is actually increasing in many places, especially rural areas.

According to the State Statistical Bureau, the number of girls in primary schools decreased from about 65 million in 1980 to 59.5 million in 1986, a drop of about nine per cent.

Most of the girls who have dropped out of school have gone to work as child labourers in rural factories or household businesses.

The number of female students in secondary schools has also decreased from 22.3 million in 1980 to 21.7 million in 1986. The number of female college students in 1986 made up about a quarter of the total college enrollment, much lower than that in developed countries.

Kang, chairman of the Chinese Women's Association (CWA) and Luo, former CWA vice-chairman, suggested that the central and local education departments adopt effective measures to guarantee women's rights to education, and work with social organizations and judicial departments to bring the Compulsory Education Law into effect.

Rural enterprises should be banned from employing child labourers and varied opportunities should be created to help illiterate and semi-literate women to learn to read and write, they said. They also advocated the promotion of secondary and vocational schools for girls. At the same meeting Li Yuan-chao, a member of the Secretariat of the Central Committee of the Communist Youth League, talked about China's youth problem. He said many teenagers have become vulnerable as a result of descriptions of sex and violence in certain publications and have acquired a distorted psychological outlook as a result of the fierce competition for the few college places. He attributed the problems to inadequate efforts in youth education and the lack of unified social conduct guidelines.

He called on the Central Government to work out a long-term education plan for the young and to establish a more authoritative institution to carry out the plan.

Wu Cangping, vice-director of the China Training Centre for Population Studies, spoke about the population issue in China, saying it is more complicated than anywhere else in the world.

China is facing simultaneously a huge population shift from the countryside to urban areas, the ageing of the population and the task of taking care of over 50 million handicapped or mentally retarded people, he said.

He urged early approval by the NPC Standing Committee of the Law on Family Planning which, he said, should stipulate that citizens should have two children at most.

**NPC, CPPCC Sessions Held Simultaneously**

**Sessions Said More Democratic**  
*OW080157 Beijing XINHUA in English 1548 GMT*  
7 Apr 88

[Text] Beijing, April 7 (XINHUA)—Gone are the days when the National People's Congress (NPC) and the Chinese People's Political Consultative Conference (CPPCC) were nothing but "rubber stamps" and "hand-raising machines", an influential member of the CPPCC National Committee said here today.

"The current two sessions are by far the most democratic. Formerly sensitive issues such as price, educational budget, democracy and mass media supervision are openly discussed," said Zhuang Shiping who served as an NPC deputy from the second to the sixth congresses and is now a member of the Seventh CPPCC National Committee.

"The democratic atmosphere which prevailed at the Second National People's Congress was grossly weakened at the third. By the time the fourth congress was convened, the NPC was reduced to merely a 'rubber stamp' and all the meetings were held behind the doors," he recalled.

Zhuang is at present vice-chairman of the All-China Federation of Returned Overseas Chinese and honorary board chairman of the Nan Yang Commercial Bank in Hong Kong.

The opinions and criticisms put forward by NPC deputies and CPPCC members during the current sessions have attracted a lot of attention from Communist Party and state leaders and the ability of the deputies and members to discuss state affairs has also improved a great deal, he said.

"This shows that the principle of further carrying out the reform and opening to the outside world worked out at the 13th National Congress of the Chinese Communist Party has been vigorously implemented. I'm confident that democratic progress and the reform will be sped up."

All this will help promote stability and prosperity of the mainland which has a great impact on the stability and prosperity of Hong Kong, Zhuang added.

**Systematic Decisionmaking Urged**  
*OW080127 Beijing XINHUA in English 1152 GMT*  
7 Apr 88

[Text] Beijing, April 7 (XINHUA)—A noted Chinese scientist proposed systems engineering be used in sorting out scientific solutions and proposals from thousands of



suggestions and opinions raised at the National People's Congress (NPC) and the Chinese People's Political Consultative Conference (CPPCC).

Qian Xuesen, member of the Seventh National Committee of the CPPCC, said many suggestions and opinions, some even in conflict, have been voiced by the people and how to select and adopt them is a problem. "The only solution lies in the application of systems engineering to replace past concession approach," Qian added.

He said all the suggestions and opinions are weighty but may be biased to some extent by themselves, so systems engineering should be adopted to sum them up to facilitate government decision-making.

Qian, who has distinguished himself in China's missile and satellite research, has been engaged in the study of systems engineering over the past few years.

He stressed that the use of systems engineering with combination of quantitative and qualitative analysis can avoid failings in the decision-making process in the socialist primary stage in which there are no ready solutions to problems.

He said the use of scientific methodology in the Ministry of Astronautics Industry has proved successful and many programs have thus been drawn up.

**Fujian Leaders Meet Deputies, Members**  
OW070815 Fuzhou FUJIAN RIBAO in Chinese  
27 Mar 88 p 1

[Excerpts] On the evening of 25 March, NPC deputies and CPPCC National Committee members of Fujian origin representing Hong Kong and Macao at the First Session of the Seventh NPC and the First Session of the Seventh CPPCC National Committee were invited to a cordial meeting and animated exchange of views with leaders of Fujian Province at the place where the Fujian provincial delegation to the two sessions is staying.

Shortly after 1800 that evening, immediately after attending the opening meeting of the First Session of the Seventh NPC Congress, the NPC deputies and CPPCC National Committee members of Fujian origin from Hong Kong and Macao gathered in high spirits at the conference hall on the fifth floor of the Fujian Office in Beijing. They included NPC deputies Huang Guanghan and Chen Xuan and CPPCC National Committee members Huang Keli, Xu Simin, Liang Piyun, Xu Dongliang, and Wang Heng. Meeting them on their arrival to shake hands and greet them were Fujian leaders Comrades Chen Guangyi, Wang Zhaoguo, Hu Hong, Cheng Xu, Zhang Kehui, Chen Xi Zhong, Guo Ruiren, and Huang Changxi. [passage omitted]

After the meeting, the provincial leaders prepared a simple dinner to fete the NPC deputies and CPPCC members representing Hong Kong and Macao. Chen Guangyi stood up first to offer a toast. He noted that the NPC deputies and CPPCC National Committee members of Fujian origin and our friends in Hong Kong and Macao have shown great

concern for and provided tremendous support to the work in Fujian and offered assistance in many areas in Fujian's efforts to open to the outside world and develop its economy. On behalf of the people of Fujian, the Fujian provincial party committee, provincial government, provincial People's Congress, and CPPCC Provincial Committee, he expressed gratitude to them and to other compatriots in Hong Kong and Macao. He said: The report on the work of the government delivered by Acting Premier Li Peng at the First Session of the Seventh NPC announced a still more open policy for Guangdong, Fujian, and Hainan Island, which will be designated as areas for comprehensive experimentation in implementing the policy of reform and opening to the outside world. This will have a tremendous impact on the implementation of the strategy for economic development in the coastal areas. As a result, development of Fujian's economy will be even more rapid. He expressed the hope that the NPC deputies, CPPCC National Committee members, friends in Hong Kong and Macao, overseas Chinese, and Taiwan compatriots will continue to show the same concern for and provide support and help to Fujian in developing its economy and make new, still greater contributions to its efforts to carry out reform and opening up to the outside world.

**Beijing Students Stage Sit-In Near NPC Session**  
HK080420 Hong Kong AFP in English 0348 GMT  
8 Apr 88

[Text] Beijing, April 8 (AFP)—China's National People's Congress (NPC) began a first round of elections Friday for the posts of state president and vice-president, parliament leaders and chairman of the State Military Commission.

In the election, attended by dozens of foreign and Chinese journalists, almost 3,000 delegates to the parliament voted by secret ballot and used private polling booths for the first time since the Communist victory in 1949, the official NEW CHINA NEWS AGENCY (NCNA) reported.

Analysts said that the results of the election were expected to be announced later Friday.

Diplomats and observers here believe the new head of state will be General Yang Shangkun, 84, a close associate of paramount leader Deng Xiaoping, replacing Li Xiannian, 83, in what is essentially an honorary position.

In a protest timed to coincide with the elections, about 20 university students launched a 30-minute sit-in near the site of the parliamentary session at the Great Hall of the People, eyewitnesses said.

The students, all from Beijing University, carried no banners or slogans and did not specify the purpose of their silent demonstration.

But observers said posters which went up on the campus of Beijing University Thursday indicated the sit-in would protest the party's neglect of intellectuals and what students consider a misguided educational policy.

**Students' Wall Posters in Beijing Persist**  
*HK080615 Hong Kong SOUTH CHINA MORNING  
POST in English 8 Apr 88 p 1*

[By Seth Faison in Beijing]

[Text] Student discontent at Beijing University has erupted again with wall posters strongly criticising China's leaders for neglecting education and intellectuals.

The posters, which went up on Wednesday night, drew crowds of on-lookers all day yesterday and sparked spontaneous discussion among students over the drawbacks of China's education system.

One poster, mocking Communist Party General Secretary, Mr Zhao Ziyang, by name for his call for intellectuals to take a second job to supplement their paltry salaries, sarcastically called on students to go into shoe shining.

Dozens of graduate students on Wednesday afternoon staged a sarcastic protest march to Tiananmen Square where the protesters offered to shine the shoes of delegates to the nearby National People's Congress for two yuan (HK\$4.20).

The posters also mocked the Communist Party's recent support for capitalist-style free enterprise, announcing that students had organised a "Self-help Amusement Club" which would stage another shoe-shining operation near the NPC today.

Acting Prime Minister, Mr Li Peng, has previously been the favourite target of students. They regard him as having engineered stricter regulations on study abroad.

But unlike recent posters critical of him, which were all quickly torn down by school authorities, the current posters were apparently condoned by the university, surprising many students.

"I think they are tolerating it so far because they agree with us. We need more help from the central Government," said one second-year student.

University president Mr Ding Shisun was responsible for starting the latest flurry of activity, some students said. He gained popularity last year when he helped negotiate the release of students detained after unrest.

He surprised many on Monday at a session of the National People's Congress by criticising leaders for misunderstanding students and placing undue emphasis on "ideological work" as the remedy for the riots early last year when students took to the streets calling for more freedom and more Government haste in democratic reforms.

The first poster this week praised Mr Ding, whom several students said had been unpopular.

Other posters quickly appeared, attacking the Government's "big-talk, no-action" approach towards universities and secondary schools.

Criticism of Mr Zhao and Mr Li in posters has raised the spectre of more serious demonstrations.

"There could be demonstrations on two or three days," one student said.

In the past complaints over food quality and living conditions have grown into larger demands for increased democracy.

In one poster, graduate students criticised the excessively money-oriented nature of current reform policies which they said had unfairly cheated universities of state funds.

"The State will only invest in projects which can gain immediate profit. For education, where benefits can take 10 or 20 years, they feel they don't need to invest," the poster stated. Several students said they agreed.

"Everything is about making money. The Government even wants universities to figure out ways to make money. It's ridiculous," said a second-year literature student.

Others said that growing numbers of young people were by-passing university education because more money was to be made in business.

"If they can make more in three days than a university graduate makes in a month, can you blame them?" asked one student.

Recent restrictions on students who want to go to the United States to study have added to their frustrations.

Although officials from the State Education Commission have denied that there was more than a minor adjustment in policy, figures released on Wednesday showed a dramatic cut in the number allowed to go to the U.S. this year.

"If we can't go abroad to make money, they had better pay us more here," said one student.

Another poster praised educator Mr Qian Jiaju, a long-time campaigner for raising teachers' salaries and educational standards.

At another NPC meeting this week he said that teachers only made 10 per cent in purchasing power of what they would have made 50 years ago, directly contradicting an earlier statement by Mr Zhao.

Mr Ding also urged leaders to be more sympathetic towards students who want to study abroad.

"We should not criticise them for not coming back. As things stand now, conditions are not very attractive for them," he said.

He added that he was more worried about students now than he was two years ago when he saw more evidence of genuine concern for social problems.



"We should not be afraid of student disturbances, nor should we criticize them excessively.

"Students' thinking was not created in a vacuum, it has grown out of society and its problems."

He said it was a positive sign when students expressed their ideas about national issues.

"I'm only afraid that they will forget about such things and only care about themselves," he said.

**Xu Jiatun on Lessons of Modern Capitalism**  
OW072320 Beijing XINHUA in English 0731 GMT  
7 Apr 88

[Text] Beijing, April 7 (XINHUA)—Emancipating their minds, people should develop a correct understanding of modern capitalism, said Xu Jiatun, director of the Hong Kong Bureau of the XINHUA NEWS AGENCY.

"Capitalism in the era of Karl Marx was just in its primary stage," said Xu, a deputy to the Seventh National People's Congress.

Since then, capitalism has undergone great changes. "For China which has not experienced full capitalist development, it ought to draw, in the course of building socialism, on the useful experience and expertise of modern capitalist development."

He aired the view that it is of great use to China's socialist modernization drive to learn from the legal and managerial structure of modern capitalism.

According to Xu, one change in modern capitalism is the introduction of a fairly complete legal system that ensures an environment for free competition to further promote the development of productive forces.

According to Xu, the reason why some people always fear capitalism is that they don't realize modern capitalist system is a great creation by human civilization.

China's policy to permit the existence of the private economy is conducive to the development of the country's productive forces, he said.

Said Xu: "That's why this policy conforms to the long-term and fundamental interests of the entire people, because only with the development of productive forces, will China be able to become prosperous and strong, and workers gain greater benefits."

**CAAC Focusing on Safety; More Routes Planned**  
HK080524 Beijing CHINA DAILY in English  
8 Apr 88 p 3

[By Xu Baoxia]

[Text] The Civil Aviation Administration of China (CAAC) is determined to extend its nationwide inspection of all airplanes in operation, the technical ability of pilots in dealing with emergencies and ground personnel in charge of air navigation, CHINA DAILY learned yesterday.

An official from CAAC also said that more domestic air routes will be opened this year.

He said that some advanced equipment for aircraft maintenance, communications and navigation will be bought with money specially provided by the State Council.

It is estimated that 14.5 million people will travel by air this year, the International Year of Tourism, 1.7 million than last year. [as published]

CAAC plans to operate a total 40 thousand flight hours during the year, and realize a profit of 1 billion yuan, a 4.6 percent increase.

Since early March, CAAC has been offering 21 new domestic air routes along with a new international route to Toronto which opened early this month.

Another international route to northern Europe is under negotiation, according to the official.

CAAC launched immediate and intensive safety inspections of all aircraft in operation across the country after the passenger plane crash near Chongqing in Southwest China, on January 18. The accident was caused by the breakdown of one of the engines. The inspection is especially targeted on older planes.

CAAC has urged that all aircraft which are unsuitable for flying must be grounded and repaired.

Four airplanes have been suspended from flying: two Ilyushin 18s, one BAE-146 and one Shutter-360.

To ensure passenger volume, CAAC will be buying new planes, but no further details are available yet.

Under the supervision of inspection teams composed of airplane experts and top pilots, a massive safety instruction campaign is being carried out among all staff members on domestic routes.

The pilots are checked on their flying techniques, especially their ability to handle emergencies, both in theory and practice. All the pilots who have been checked have been up to standard, the official said.

Measures have been taken against any violations of discipline or safety regulations.

**Research on Disaster Information Suggested**  
**OW071408 Beijing XINHUA in English 0957 GMT**  
**6 Apr 88**

[Text] Beijing, April 6 (XINHUA)—A signed article in today's "GUANGMING DAILY" suggested creating a new field of research which would focus on collecting and organizing information related to natural and man-made disasters.

"With the country frequently being the victim of disaster, work in this area should begin as soon as possible," the paper said.

In recent decades, China has been hit by earthquakes, floods, fires, droughts, insect pests and transportation accidents, which have brought the country terrible losses, the article said.

"Relying on the media to collect information and file stories on these disasters is not enough, even though they often provide good coverage," the paper said.

"To handle the problem in a serious way," the article went on, "the state should keep complete records on all disasters."

By studying this information people would be better equipped to deal with future disasters, the article said, and a better-equipped data-bank in this field could help head-off disasters.

**Commentary on Expansion of Labor Export**  
**HK071443 Beijing RENMIN RIBAO OVERSEAS**  
**EDITION in Chinese 5 Apr 88 p 3**

["Economic Commentary" by Shan Zhiqiang (0830 0037 5638): "Expand Labor Service Export"]

[Text] In spite of China's rapid progress in exporting labor services over the past few years, the volume of manpower exported has been insignificant compared with some Asian countries. The number of Chinese working abroad is less than one-fifteenth of the number of workers from Pakistan, while China's volume of contracts lags far behind India's and the Philippines'. This condition is incongruous with China's population of 1 billion and its abundance of labor resources.

The world is one big market for labor. Canada, the United States, and Mexico have always supplemented one another's labor forces, while the flow of labor between EC member nations is even greater. Statistics show that 30 percent of the labor force in Switzerland, 10 percent of that of Belgium, and 9 percent of that of France are from foreign countries. The export of manpower is beneficial to both the exporting and importing countries. Some countries possess funds and technology, but lack laborers; others abound in laborers, but lack funds and technology. The export of manpower enables each side to get what it needs, thus killing two birds with one stone.

Labor service contracts with foreign countries earn foreign currency and promote the export of machinery, electrical appliances, and building materials needed for the projects involved, and workers stationed abroad have access to advanced foreign technology and expertise. Why should we not go for this practice when it has so many advantages?

China has a long history of exporting manpower. The accomplishments of overseas Chinese throughout the world have proved that the Chinese are capable of standing on their own feet in competing on the world market. However, China's export of labor has not been given due attention. Channels for export are few, and there are many departments that deal with such endeavors; in addition, exit procedures for workers assigned abroad are complicated and slow. All these factors have contributed to the failure to meet the ever-changing demands of the international labor service market. This situation must be improved through gradual reform.

International cooperation in labor services has bright prospects. We should work hard to give play to our advantages and contract for more foreign labor service projects so that more laborers can go beyond China to the world.

**Jiangxi, Hunan To Set Up Open Economic Zones**  
**OW071341 Beijing XINHUA Domestic Service**  
**in Chinese 0248 GMT 1 Apr 88**

[By reporter Wang Man]

[Text] Beijing, 1 Apr (XINHUA)—Jiangxi and Hunan Provinces will establish experimental open economic zones by implementing policies similar to those pursued in coastal areas in order to form more extensive lateral economic ties and to open themselves wider to the outside world.

Hunan Governor Xiong Qingquan and Jiangxi Vice Governor Jiang Zhuping, both NPC deputies, separately disclosed the above information to this reporter the other day.

Xiong Qingquan said: Hunan Province borders on the open province of Guangdong to the south and is contiguous to the economically developed east China to the east, the richly endowed Jiangnan Plain to the north, and Sichuan, Guangxi, Guizhou, and Yunnan, with their great potential for development, to the west. Thus, there are very broad prospects for Hunan to develop lateral economic ties. The party Central Committee and the State Council recently designated Guangdong Province as an experimental region for comprehensive reform and openness, which has provided Hunan Province with a great opportunity. Hunan is prepared to designate the two prefectures of Chenzhou and Lingling, which share a 400-kilometer-long border with Guangdong Province, and Hengyang City as experimental zones for economic reform. Here power will be delegated to lower levels and some policies similar to those pursued in Guangdong will be implemented in order to win cooperation from foreign businessmen as well as from enterprises and institutions in various parts of the country.



Jiangxi Province, whose geographical position is similar to that of Hunan Province, has also adopted a similar strategy. Vice Governor Jiang Zhuping, in charge of Jiangxi Province's day-to-day business, said: To welcome the situation in which coastal areas will open themselves to the outside world in an all-around way, Jiangxi Province is planning to open itself wider to the outside world from the north and the south. First, it will designate Ganzhou Prefecture, which borders Guangdong and Fujian Provinces, as an experimental zone for economic reform and openness with provincial-level authority in economic management. The 18 counties under the jurisdiction of the prefecture will also be given greater decisionmaking power. This is aimed at helping this prefecture orient itself to market demands in Guangdong, Fujian, Hong Kong, and Macao, and at helping it develop its economy rather independently. Second, Jiangxi will designate Jiujiang City on the Chang Jiang as a city open to the outside world. Jiujiang City will implement policies that will be even more preferential than those pursued in comprehensive experimental cities, speed up the construction of its key projects and infrastructure, and increase the handling capacity of its harbor in order to become a fully open economic center.

The responsible persons of Hunan and Jiangxi said: The two provinces' advantageous geographical positions, rich natural resources, and relatively cheap labor are important capital with which to develop experimental zones for economic reform and openness. Around an experimental zone opened up near the Hunan-Guangdong border, there is more than 9 million mu of wasteland on the slopes, which accounts for approximately one-fifth of Hunan's land under cultivation. When this wasteland is properly opened up, it will become areas to produce rice, forests, fruits, and other cash crops to satisfy people's needs in production and daily life in the urban and rural areas of coastal provinces. The area of the Ganzhou experimental zone accounts for one-fourth of that of Jiangxi Province, and its population constitutes one-fifth of the province. Ganzhou abounds in farm and sideline products such as rice, fruits, fish, and shrimp, and is rich in mineral resources such as sulphur, tin, and salt. Jiujiang City, which has been known as the "golden trading port" since ancient times, is not only the gateway to Jiangxi but an important window to the provinces along the Chang Jiang.

It has been learned that establishing such experimental zones is only one step to be taken in their strategies for reform and openness. Meanwhile, the two provinces will further streamline their administrative structures, delegate more power to lower levels, formulate even more preferential policies, and improve their investment environments in order to welcome more businessmen with insight at home and abroad to discuss how to jointly develop local natural resources with the departments concerned.

**Officials Comment on 1987 Commodity Prices**  
QW071046 Beijing XINHUA Domestic Service  
in Chinese 1457 GMT 6 Apr 88

[Text] Beijing, 6 Apr (XINHUA)—Responsible persons of the State Statistical Bureau and the State Administration of Commodity Prices recently answered some NPC

deputies' following questions on the fluctuation of commodity prices in China in 1987 and the methods for compiling commodity indexes:

**Question:** What was the trend of commodity price rises in 1987?

**Answer:** Commodity price rises were a comparatively conspicuous problem in our economic life in 1987. There were three characteristics:

First, the 1987 price rises were not unique. They were the continuation of the big price rises of previous years. The general retail price level rose 8.8 percent in 1985, 6 percent in 1986, and 7.3 percent in 1987, as compared with the preceding year. In the 3 years, it rose a total of 23.7 [figure as received] percent as compared with 1984, with an average annual increase rate of 7.3 percent. There was no shortage of commodity supply during the period, thanks to rapid development of production, but people did feel a comparatively high psychological pressure.

Second, commodity prices rose more in urban areas. The general retail price level in 1987 increased by 9.1 percent in urban areas, and the increases in large and medium-sized cities were even bigger. The retail prices in Beijing, Tianjin, Shanghai, and 26 provincial capitals on an average rose 9.7 percent, and the increases in some of them exceeded 10 percent. The urban people that account for 22 percent of China's total population have to bear the burden of 41 percent of the increase in expenditure caused by price hikes. This is no doubt a heavy burden for wage earners.

Third, the increase in food prices was bigger than others. The retail food prices in 1987 rose 10.1 percent and the prices of nonstaple food increased by 13.8 percent, as compared with 1986. Since China is a developing country in which food accounts for a large proportion of consumer goods, the increase of food prices, particularly nonstaple food prices, has greater impact on the people and causes more complaints among them.

**Question:** How much impact did the increase of market prices have on the people's livelihood? Did the higher prices lower the living standards of the workers and staff members?

**Answer:** The people in urban and rural areas paid 39.6 billion yuan more in buying commodities in 1987 because of price hikes. In other words, every 1 percent increase in commodity price index will make the people pay 5.42 billion yuan more. The people in urban area paid 16.38 billion yuan more in living expenses in 1987 because of the 9.1 percent increase in general retail price level. While the 6 percent increase in noncommodity service prices caused a 1.07 billion yuan increase in their living expenses, the total increase of their living expenses in 1987 was 17.45 billion yuan, 72 yuan per capita per annum, or 6 yuan per capita per month. If each urban worker was supporting an average of 1.8 persons, the price increase caused a 129.6 yuan increase in his or her annual expense, or 10.8 yuan increase in his or her monthly expense.

Did the higher prices lower the living standards of the workers and staff members? In 1987, the percapita income for living expenses of urban employees was 916 yuan, up 10.6 percent from the 1986 figure. If the 8.8 percent increase in living costs was factored in, the real per capita income still rose 1.7 percent. The per capita annual living expenses were 885 yuan, up 10.7 percent from the previous year. If the price rises were factored in, the actual consumption level still rose 1.8 percent. This shows that generally speaking, the price rises did not lower the urban employees' living standards. However, some employees' families did receive less in actual income, but the decreased income was not entirely due to price rises. For example, decrease in actual income may be caused by increase in the number of family members, decrease in the number of job-holders, leave and study, and reduced bonuses. These things happen every year and are basically normal phenomena. In 1987, 21 percent of the families received less in actual income because of price increases. Of those 21 percent, high-income families did not have any difficulty in livelihood with the higher prices. The price increase created difficulty in livelihood for only 9.6 percent of the families that received less in actual income.

**Question:** How are the commodity price indexes published by the State Statistical Bureau compiled and calculated?

**Answer:** The process of compiling the commodity price indexes is quite complex and cannot be fully explained in a few words. Here is a brief account of it:

The methods and steps for compiling our general retail commodity price indexes roughly deal with the following four respects:

1. To select representative commodity groups and their representative specifications items

There are several million kinds of commodities in the market and it is impossible to survey and sum up the price fluctuations of all of them. In order to compile the price indexes, we usually select representative commodity groups on the basis of scientific classification and choose some commodities of certain specifications and grades as representative specifications items of each group. The so-called commodity group denotes a certain collection of commodities with same utilization value, such as polished long-grained nonglutinous rice, flour, pork, etc. The so-called representative specifications item is a commodity of certain specifications and grade in a commodity group, such as first-grade polished long-grained nonglutinous rice, number two flour, boneless pork, and so forth. We have selected 366 commodity groups and more than 6,000 representative specifications items, and their representation is very comprehensive.

2. To decide on the typical regions and representative grassroots markets for the compilation of the price indexes

The typical regions for the compilation of the price indexes are picked out at random from among China's cities and counties. We have picked out 420 cities and counties. We have also selected some 14,000 representative stores and

rural and urban markets in those cities and counties as representative grassroots markets. Such a scale is comparatively large in the world and it can ensure the representativeness of the price indexes.

3. To collect and calculate average prices

Fulltime price surveyors and assistant price surveyors, acting as consumers, directly conduct periodical price surveys at the more than 14,000 grass-roots markets. They usually conduct six to eight surveys monthly and thus obtain the monthly averages of list prices, negotiated prices, and market prices. Then, they will survey the residents and use the quantity of a certain commodity bought by the residents at varying prices as a statistical weight, attach the weight to calculate the overall average price of the commodity.

4. To compute the general national indexes

After examining the price survey data of various regions, the State Statistical Bureau attaches regional statistical weights to calculate the average prices of commodities and individual indexes (also known as unit commodity indexes) of the country. Then, it attaches the national statistical weights of commodities to calculate the national categorical indexes and attaches the weights again to calculate the general indexes.

To sum up the above, the national price indexes are derived from the prices collected at the 14,000 grassroots markets in 420 cities and counties with four statistical weights attached. The calculation methods are quite scientific.

**Question:** Why is people's impression of the price fluctuations usually not the same as the price indexes?

**Answer:** Difference between the price indexes published by the state and people's impression of the prices is a worldwide phenomenon. In our country where the knowledge of statistics is not yet popularized, people's impression of the difference is even more intense. In a viewpoint of the theory of knowledge, this is mainly caused by the difference between an individual's impression directly perceived through senses and the highly abstract idea of overall average. Because people fail to distinguish between the two, they tend to regard the price indexes published by the state as not reflecting the reality. They even say: "These are officially published data and not trustworthy." We don't think that this question is hard to solve. If we clearly explain the difference between the two, people will understand them.

The differences between the two are as follows:

1. The difference between the price index for commodities in general and that of a specific category of commodities. The retail price index is a general index which reflects the changes of retail prices for all commodities. It represents an average figure showing the increases or decreases in various commodity prices. Naturally the aforementioned differences will be great if we compare the price index for commodities in general with that of a specific commodity, for example, with the 10.1 percent retail price increase of



foodstuffs in 1987, or even that of certain specific commodities such as the 17.7 percent retail price increase of fresh vegetables, the 21.4 percent retail price increase of eggs, and the 28 percent retail price increase of hairtail fish.

2. The difference between the general price index for the whole country and that of a particular area. The idea that the national retail price index in 1987 rose by 7.3 percent as compared with that in 1986 represents an average figure of the 9.1 percent price increase in urban areas and the 6.3 [figures as received] percent price increase in rural areas. Therefore, residents in urban areas will feel that the general index is low. If people compare this index with that of other individual cities, they would feel that the general index is even lower.

3. The difference between the price index when the figures for the report were compiled (year, season, or month) and that when the figures were compiled at a specific time and a specific location. The price index represents an average figure when the report was made. If people compare this figure with the price of a certain commodity at a specific time and a specific location, this price index is naturally low.

4. The difference between the commodities in general and those whose prices have increased. People usually have a fairly deep impression of commodities whose prices have increased. They often have a fairly weak impression of commodities whose prices have remained stable or even dropped; and thus, they often ignore such commodities when they make a comparison.

5. The difference between a short-term price comparison and a long-term price comparison. The price index announced by the ordinary statistics departments is a chain index derived by comparing the current prices with those of the previous year or the corresponding period of the previous year, while people are used to comparing the current prices with those of the 1970's, 1960's, or 1950's. Therefore, they feel that the differences created under such a condition are much greater.

#### **Pork Rationed in Beijing, Other Cities**

OW071206 Beijing XINHUA in English 1228 GMT  
6 Apr 88

[Text] Beijing, April 6 (XINHUA)—Deputies from China's most populous province of Sichuan to the Seventh National People's Congress have pledged to produce more farm and sideline produce to support other parts of the country.

"This is what we deputies from Sichuan are considering apart from feeding the 100 million people in the province," said Sichuan Governor Zhang Haoru, who is also an NPC deputy.

According to Zhang, local governments at all levels have increased investments in farm production this year, with the emphasis on aiding farmers in specialized production.

To date, Sichuan has set up 31 county-level hog raising centers and plans to add 12 more this year.

Sichuan farmers earned less last year because of increased prices of such capital goods as chemical fertilizers, plastic sheets and diesel oil.

Nevertheless, the governor said, they still supplied other parts of China with large amounts of farm produce, such as grain, edible oil, pork, eggs and vegetables.

For example, Sichuan shipped out eight million hogs and 150,000 tons of rapeseed oil to Beijing, Tianjin and north-west China in 1987. It also provided the rest of the country with 320,000 tons of liquor.

These things were produced with 3.5 million tons of grain, according to Zhang Haoru.

During the 11-year period between 1977 and 1987, farm output in Sichuan increased in nine years, dropped in one year because of natural calamities and levelled off in another.

Zhang described excessive increase in the use of farmland for non-agricultural purposes as an "outstanding problem" in Sichuan's farm production.

Attending the current NPC session are 44 Sichuan farmers, some of whom specialize in raising hogs, and others in growing grain crops or vegetables.

Zhang Wenkang, a farmer-turned-technician and president of the Wenjiang County Vegetable Growing Technique Association, said that he did not expect vegetable prices in Beijing had risen so sharply and vegetable varieties in the city were so few.

He pledged to grow more vegetables, saying that his county supplies vegetables in winter to a dozen provinces and cities, including Beijing.

On hearing that Beijing and other big cities reintroduced rationed pork supply, Xiang Deke, president of the Yunyang County hog-raising association, said that he will mobilize local farmers to breed more hogs for urban dwellers after returning to his hometown.

#### **Oil, Natural Gas Production Increases**

OW080457 Beijing XINHUA in English 0847 GMT  
7 Apr 88

[Text] Beijing, April 7 (XINHUA)—China's oil and gas output went up steadily in the first quarter of this year, the Oil Ministry said today.

The output of crude oil was 245.49 million bbl, and that of natural gas, 3.53 billion cubic meters. These figures represent overfulfillment of the annual plans by 24.5 percent and 25.8 percent, respectively, and increases of 3.2 percent and 2.1 percent over the same period last year.

China plans to produce one billion bbl of crude oil and 13.7 billion cubic meters of natural gas this year.

Compared with the same period last year, the crude oil output of 14 out of China's 18 oilfields increased to different degrees. In the first three months, the Daqing oilfield produced 101.4 million bbl, the Liaohe oilfield, 22.59 million bbl and the Shengli oilfield, 59.33 million bbl; these are respective increases of two percent, 16.6 percent and 5.1 percent.

China's offshore oil output also increased. The Bohai oilfield produced 641,224 bbl and the Nanhai oilfield, 593,774 bbl, respective increases of 22.1 percent and two percent over the same period last year.

**Consumer Goods Output Increases Over 1987 Level**  
*OW080441 Beijing XINHUA in English 1404 GMT*  
7 Apr 88

[Text] Beijing, April 7 (XINHUA)—Output of most light industrial products during the first quarter of this year increased at different rates over the same period of last year, according to the State Statistics Bureau.

In the first three months the country turned out more than 9.47 million bicycles, 29.6 percent of the annual plan; 1.33 million refrigerators, 30 percent of the year's plan; and nearly 600,000 cameras. These three products increased respectively by 0.3, 76 and 41 percent over the same period of 1987.

Canned food and dairy products were also up by 43.1 and 12.3 percent, respectively, over the first three months of last year, and the output of machine-made paper and paperboard was over 2.46 million tons, a 10.4 percent growth, but the production of newsprint was down by 23.6 percent due to lack of raw materials—timber.

China also produced over 10 percent more plastic goods, beer and liquor during the first quarter compared with that of 1986.

However the production of sewing machines, electric fans and washing machines decreased by 5.3, 0.9 and 7.8 percent, respectively, because of falling demand.

The output of synthetic detergent was also down by 10.2 percent due to lack of raw materials, and the production of sugar and salt decreased by 36.7 and 24.9 percent, respectively, because of excess rain during the growing season.

**Ministry Considers Display of 'Shoddy' Goods**  
*HK080506 Beijing CHINA DAILY in English*  
8 Apr 88 p 2

[By staff reporter]

[Text] The Ministry of Light Industry is considering setting up a warehouse to display shoddy and inferior goods sold to consumers, CHINA DAILY has learned.

The idea, though still under consideration, was raised by Zeng Xianglin, Minister of Light Industry. He said it would be "an effective way of protecting quality through public supervision."

Because of the failure of the shoddy goods exhibition, which was cancelled under pressure from manufacturers last December, Zeng said the producers of inferior products will not be informed that their products are going to be displayed in the future so that they will not have a chance to cover up their irresponsibility and avoid the adverse publicity.

The December exhibition was called off at the last minute by the Ministry of Light Industry, which is believed to have come under strong pressure from the factories concerned and conservative forces within the ministry.

The ministry officially cancelled the show because, after it was announced, some 70 producers of shoddy goods sent about 800 technicians to Beijing who repaired the goods and provided replacements for more than 40,000 customers, ministry spokesman Chen Qinglin said.

To increase the positive results of the cancelled exhibition, Chen said that his ministry has also set up a special office to handle consumer's complaints.

From the end of last year to February this year, the office received 928 letters and 956 telephone calls.

**Industrial Production Increases Steadily**  
*OW080403 Beijing XINHUA in English 1210 GMT*  
7 Apr 88

[Text] Beijing, April 7 (XINHUA)—China's industrial production has been steadily increasing since the beginning of this year, according to the State Statistics Bureau.

Statistics released today by the bureau show that the nation's daily industrial output averaged 3.03 billion yuan in January, 3.07 billion yuan in February and 3.10 billion yuan in March.

Total output value covering all three months reached 264.6 billion yuan, up 16.7 percent over the same period last year. Of that total, light industry accounted for 134.6 billion yuan, and heavy industry, 130 billion yuan, increases of 16.6 percent and 16.9 percent, respectively, over last year.

The first quarter saw a rapid increase in production by state-owned enterprises. The net increased output value of these enterprises was 20.7 billion yuan, comprising 54.6 percent of the total, whereas the comparative figure for the same period last year was 48.2 percent.

The output value of township enterprises in the first three months maintained a rapid growth rate. It amounted to 30.5 billion yuan, up 42.3 percent over the same period last year.



Another characteristic of the first quarter's industrial production was accelerated development in the coastal areas. Compared with the same period last year, the output value of Fujian Province increased by 30.6 percent, Guangdong Province by 27.9 percent and that of Shandong Province by 25.4 percent.

Experts here attributed the steady growth to the current economic reforms, technical upgrades made over the past several years, capital construction efforts, readjustments in the industrial and product market structure and increased demand for products.

By the end of 1987, over 80 percent of China's large and medium-sized enterprises had adopted the contract management responsibility system. Managerial departments started preparing for this year's production goals as early as last September, and the results are showing in more efficient and increased production.

In January and February of this year, purchases of industrial products increased by 22.9 percent. Of that total, purchases of export product increased by 41.8 percent, and local retail volume increased by 22.9.

**Textile Production Up in First Quarter**  
*OW080231 Beijing XINHUA in English 1311 GMT*  
7 Apr 88

[Text] Beijing, April 7 (XINHUA)—In the first three months of this year China's major textile products increased at different rates over the same period of last year, according to the State Statistics Bureau.

The first quarter of this year saw a 30 percent increase in the production of cotton yarn, more than one million tons; chemical fiber cloth, 1.5 billion meters; chemical fibers, nearly 320,000 tons; knitting wool, over 43,000 tons; and gunnysacks, more than 200 million pieces.

In the same period China produced 11,300 tons of silk and 350 million meters of silk fabrics—23 percent and 25 percent, respectively, of the year's annual quota. Meanwhile the output of pure cotton cloth and woolen goods was more than one quarter of the year's plan.

**Provinces' Industrial Output Value Increases**  
*OW080301 Beijing XINHUA in English 1243 GMT*  
7 Apr 88

[Text] Beijing, April 7 (XINHUA)—China saw industrial output value rise in most of its provinces, municipalities and autonomous regions in the first quarter of this year, compared with that of last year, XINHUA learned today.

According to the State Statistics Bureau, the industrial output value of Jilin, Jiangxi, Shandong, Guangdong and Qinghai Provinces increased more than 20 percent each, while that of Fujian Province was up 30.6 percent.

In addition, the industrial output value grew 10 percent to 20 percent in the first three months of this year in 15 provinces and Beijing.

The bureau attributed the increase of industrial output value mainly to the results brought about by capital construction projects and the technical upgrading of enterprises in recent years.

The statistics showed that the investment in the raw materials, light, textile and machine-building industries increased 20 to 30 percent last year over 1986 and that spent on construction projects for production rose by 22.5 percent.

**Famous Playwright Urges More Dramatic Freedom**  
*OW071245 Beijing XINHUA in English 1442 GMT*  
6 Apr 88

[Text] Beijing, April 6 (XINHUA)—Cao Yu, one of China's most famous dramatists, today said that Chinese playwrights should be provided a more relaxed environment for creation.

Cao, who is best known in China for his playscripts of "Storm" and "Sunrise" and who is a member of the Seventh National Committee of the Chinese People's Political Consultative Conference, said this in an interview with XINHUA.

According to Cao, good scripts are now badly needed for Chinese drama, which is losing audience because of the development of the film industry, television shows and popular songs and dances.

"To revitalize the theatre, we should not interfere too much in the work of dramatists so that they can 'write good works in a more favorable climate with few restrictions,'" he added.

Although dramatists should write about China's ongoing economic reform, he said, they should not be all urged to do so because a good play demands a good understanding of life by the writer, which can be acquired only after years of personal involvement.

He also said that China should not be afraid to let its playwrights write about its seamy side because it can help the country get rid of its vices.

Cao said that China needs a copyright law to protect the rights and interests of writers. Without such a law, a script may be revised or published without the consent of its writer or ordered not to be put on the stage at the will of a high-ranking official.

No play should be banned without a debate on its good and bad points, he added.

**Student Discovers Ancient Tibetan Book**  
*OW070447 Beijing XINHUA in English 1044 GMT  
5 Apr 88*

[Text] Beijing, April 5 (XINHUA)—An ancient book which was brought back to Beijing from Tibet by a postgraduate student has been verified as a valuable and rare volume on Tibetan arts and crafts, the "CHINA YOUTH NEWS" reported today.

The student Wang Gong, 31, from the Chinese Academy of Sciences' Institute of Natural History, traveled 12,500 kilometers in Tibet on his own between the months of June and August in 1986, and from April to September in 1987.

Wang found the book in Chagyab County, east of Tibet. Historians consider it a unique "encyclopedia" on ancient Tibetan arts and crafts. The 149-page volume was made out of a kind of paper specially produced in Tibet and contains over 26,000 hand-written words in the Tibetan language, the paper reported.

"The book introduces 80 how-to techniques, some of which had previously been lost to antiquity, covering such trades as paper-making, pottery-making, and metal processing," according to the paper.

Historians believe the book was written and published 300 years ago by the writer Dandzim Puncog, a noted scholar in Tibetan history.

Wang also found dozens of other materials valuable in the study of Tibetan history and culture, including a leather instrument used by ancient Tibetans to supply air in metal forges, and a wine processor, the paper reported.

**Communications Satellite Launch Hailed**  
*HK051236 Beijing RENMIN RIBAO in Chinese  
24 Mar 88 p 3*

[Report by HANGTIAN BAO (ASTRONAUTICS JOURNAL) reporter Sun Minqiang (1327 3046 1730) and RENMIN RIBAO reporter He Huangbiao (0149 7806 1753): "Astronautics Expert Sun Jiadong Speaks on the Significance of the Success in Placing China's Communications Satellite in Permanent Orbit"]

[Text] What is the difference between the communications satellite for practical use that was successfully placed in permanent orbit on 22 March and other communications satellites that have been launched in the past? What improvements have been made in terms of technology and effects? Sun Jiadong, vice minister of the Ministry of Astronautics Industry and a well-known astronautics expert, said that the successful launching of the satellite indicated that the period of China's renting satellites would soon be over and that the 1 billion Chinese people living on a land of 9.6 million square kilometers would have a share in the astronautics technology achievements of their own country.

Sun Jiadong also told our reporters: This satellite is the third earth-synchronous orbit satellite carried by the "Changzheng [Long March] No 3" carrier rocket. The first such satellite was launched in April 1984. Compared with the satellite launched on 1 February 1986, this third and latest communications satellite has displayed the following main characteristics, apart from the improvement in precision and stability of its being placed in permanent orbit:

The working life of this communications satellite is 50 percent longer. The working life of the previous satellite was 3 years, but this one will last 4 years. [as received] The life of the satellite is determined by the amount of energy it can carry. To ensure that this satellite can carry more energy, designers manufactured a full set of new and reliable facilities.

The communications capacity of this satellite is 100 percent larger than that of previous satellites. This is the result of overcoming technical difficulties in the process of manufacturing a new device. This new device has a longer working life, is light, and has a good lines. Due to our success in overcoming such technical difficulties, the quality of telephone and television satellite transmission has been markedly improved. This communications satellite can fully meet the present demand for satellite telephone communications in our country and the demand of the Central Television Station for relaying various television programs.

The terrestrial surface radiation power of the satellite has also been increased by 25 percent. Because of our success in improving and updating components of the satellite, its power has been enhanced. In the past, different regions in our country, including the border region, islands, medium and small cities, and various units in cities, used to receive television relays through a ground receiving station with a diameter of 4.5 to 6 meters. Now, through a ground receiving station that has a diameter of 3 to 4.5 meters, we may have very good reception.

Sun Jiadong stressed: The "Changzheng No 3" carrier rocket has succeeded in carrying our three communications satellites into space. This shows that our "Changzheng No 3" carrier rocket and its launching and controlling techniques have been perfected and are completely reliable as well. This has strengthened our confidence in using the carrier rocket to launch various kinds of satellites for practical use in the future and will benefit our efforts to promote our "Changzheng No. 3" carrier rockets on the international market, so that they can serve international clients.

**'Expert' Discusses Launching**  
*HK071214 Hong Kong LIAOWANG OVERSEAS  
EDITION in Chinese No 13, 28 Mar 88 pp 15-16*

[Article by Zhang Chunting (1728 2504 0080) and Sun Minqiang (1327 3046 1730): "Sun Jiadong, Vice Minister of Aeronautics Industry, Talks About the New Development of China's Communications Satellite"]

[Text] China successfully launched another communications satellite on 7 March this year. After 10 or so days and nights of remote control by ground station scientific



and technological personnel, the satellite was fixed at longitude 87.5 degrees East above the equator at 2 minutes and 50 seconds past 1300 on 22 March. Several days ago these two reporters interviewed Sun Jiadong, Chinese vice minister of aeronautics industry and famous satellite expert who had just returned from the satellite launch and control center, on his views about the new achievements in launching this satellite.

**Facts Have Once Again Proved That the "Changzheng No 3" Carrier Rocket's Functions Are Stable and Reliable** [subhead]

Sun Jiadong said that the successful launching of the communications satellite has once again proved that the functions of China's "Changzheng No 3" carrier rocket are stable and reliable. This was the third successful launching of the carrier rocket and it has further strengthened our confidence in using the "Changzheng No 3" to launch all types of applied satellites. Because we had seldom launched communications satellites in the past many people in the rest of the world cast doubts on the functions of the "Changzheng No 3." They asked: "Isn't it that the Chinese are like a blind cat running into a dead rat?" So this successful launching will, undoubtedly, strengthen their trust in us and will therefore make it easier for the "Changzheng No 3" to enter the international market. Like the "Changzheng No 2," the "Changzheng No 3" will also enjoy a high reputation in the world.

**China's Ground Telemetry and Remote Control Technology Has Improved** [subhead]

Sun Jiadong continued: The successful launching also proved that our ground telemetry and remote control technology has improved. The "launching window" at the Xichang launch center is very narrow. We scarcely had 2 hours to get everything ready. It was not easy to launch the satellite in such a short time without any mistakes. The satellite was launched at 41 minutes past 2000 on 7 March and went into orbit at 48 minutes past 0900 on 9 March, only 37 hours and a few minutes later. Our scientific and technological personnel had less than half those 37 hours to telemeter the satellite because the small number of telemetry stations we have in the country and the two telemetry ships stationed near the equator in the Pacific could not telemeter the satellite when it was on the other side of the earth. Within the hours available Chinese scientific and technological personnel accurately determined the movement angle of the tiny satellite operating in outer space 40,000 km from the earth, and instructed it to make proper adjustments and to ignite its apogee motor so as to shift

from an oval orbit into a synchronous one. All this indicates that China's ground center has acquired high precision in telemetry and remote control.

Sun Jiadong pointed out: It took only 13 days for the communications satellite to move 58.5 degrees from where its apogee motor was ignited at longitude 146 degrees east to the prescheduled position at longitude 87.5 degrees east above the equator. This suggests that the design of the satellite's orbit and procedures was economical, rational, and accurate, without any error or deviation. Of course we had worked out all sorts of methods and programs before the launch, and we finally succeeded in applying the best of them.

**What Improvement Has the Satellite Demonstrated** [subhead]

On the improvements made in the satellite's functions Sun Jiadong said: The information transmitted by the satellite indicates that its instruments and equipment are operating normally. Its telephone and television results are better than those of the communications satellite launched on 1 February 1986. Specific examples are as follows.

1. Its service life will be 50 percent longer than the previous one's. The service life of a satellite is determined by the amount of energy it carries. The energy equipment in this satellite is of a new type and reliable. Therefore, as designed, this satellite will operate 1 and 1/2 years longer than the previous one.
2. Its communications capacity has greatly increased. In comparison with the previous satellite there are twice the number of transmitters and three times as many communications circuits. Apart from this telephone and television transmission quality has markedly improved.
3. The transmitted power of the satellite has increased. In the past the ground station used antennas 4.5 to 6 meters in diameter, but now it uses antennas only 3 to 4 meters in diameter. In addition, following the improvement in fixing accuracy, the satellite's position is more stable than the previous one's and there is no need for the ground station to use tracking antennas, thereby simplifying the station's structure and reducing its construction costs. This will play an important role in popularizing the use of ground stations, speeding up construction of the television reception network, improving the social benefits [she hui xiao yi] from the satellite, and achieving better economic results.

Sun Jiadong concluded that the satellite will be tested in orbit for 20 days before it is put to use in mid-April.

### East Region

**Fujian Secretary Urges Open Economy**  
OW071313 Beijing XINHUA Domestic Service  
in Chinese 0643 GMT 6 Apr 88

[Excerpts] Fuzhou, 6 Apr (XINHUA)—What type of economy should hilly areas develop at a time when the coastal areas are accelerating the development of an export-oriented economy? After making a survey of hilly areas in western Fujian Province, Chen Guangyi, secretary of the provincial party committee, said that the hilly areas should strive to develop an open economy.

In the hilly areas, each farmer cultivates an average of 10 mu of land. There are abundant forests, fruit trees can be grown there, and minerals can be exploited and processed. [passage omitted]

But Chen Guangyi noted: The hilly areas must not mechanically follow the coastal areas in developing an export-oriented economy. They should take advantage of their strong points and develop an open economy in light of local conditions.

Chen Guangyi said that the hilly areas should strive to do the following tasks in order to develop an open economy:

—They should break away from the closed or semiclosed natural economy and develop an open commodity economy, and should pay special attention to developing minor commodities for large markets. [passage omitted]

—They should pursue a comprehensive open policy; that is, they should open up to the outside world as well as to other areas in China. They should create favorable conditions by promoting the flow of commodities and expanding lateral economic association.

—They should set up an economic system to exploit and process local resources. [passage omitted]

—They should develop labor-intensive industries, giving priority to developing small and medium-sized enterprises and village and township enterprises. [passage omitted]

Chen Guangyi stressed: Without circulation there will be no commodity production. Therefore, flexible and effective measures, including double-track measures, should be taken to enliven commodity circulation in the hilly areas by training a number of specialized households to engage in transporting and marketing commodities.

**Fuzhou Eases Customs Rules To Boost Economy**  
OW071235 Beijing XINHUA in English 1456 GMT  
6 Apr 88

[Text] Fuzhou, April 6 (XINHUA)—The coastal province of Fuzhou has relaxed customs procedures in a bid to stimulate a more market-oriented economy.

According to 12 new regulations, all goods can be freely imported and exported except those designated by the state. Customs officials will only check goods to make sure they are in accordance with agreed contracts.

Companies, whether or not they are trading companies, will also be allowed to use bonded warehouses for imported goods and materials either in transit or to be assembled for foreign clients. They will avoid having to go through usual customs procedures.

Those companies with good credit ratings will be exempt from routine customs checks on their products, although customs will retain the right to make checks on imported materials and products when necessary.

Township enterprises which are primarily engaged in processing of foreign-supplied materials can apply to set up bonded warehouses or workshops.

This means that they will only have to pay customs duties if the products are sold in the country instead of being re-exported.

**Jiangsu Farmers Boost Agricultural Production**  
OW080617 Beijing XINHUA in English 1043 GMT  
6 Apr 88

[Text] Nanjing, April 6 (XINHUA)—Farmers in Jiangsu are making good use of the Yellow River's old bed, reclaimed land, rolling hills, and water resources in the province to boost agricultural production.

During the past 2 years, local farmers generated 450 million yuan (122 million U.S. dollars) in additional agricultural output value by better utilizing natural resources, and also exported more than 100 million U.S. dollars' worth of products.

With a population of 63 million, this east China province has only 4.67 million hectares of farmland, which is an average of 0.072 hectares per person. With the appearance of more rural factories, land under cultivation has decreased at an annual average of 20,000 hectares.

In a bid to promote agriculture, in 1986 local authorities decided to reclaim 307,000 hectares of coastline, 153,000 hectares of abandoned river bed, 320,000 hectares of rolling hills, and 133,000 hectares of water surface.



The 2 million farmers living on the Yellow River's old 464.9-kilometer bed used to be barely able to survive, but have now built a series of water conservation projects. The 6 counties administered by Xuzhou alone built 14 small reservoirs and sank 3,000 wells, while turning 20,000 hectares of wasteland and low-yield fields into farmland which is consistently high-yield even in the face of drought and waterlogging.

These farmers have also reclaimed 44,000 hectares of wasteland and planted 23,000 hectares of fruit trees. Last year, grain output in the area averaged 735 kilograms per person, which is above the national average of 400 kilograms.

Jiangsu has more than 600,000 hectares of reclaimed land and this reclaimed area extends into the sea at an annual average of several dozen meters. Local farmers are now using 167,000 hectares of reclaimed land for growing crops and for raising fish, prawns, shellfish, and kelp.

In addition to funds solicited from abroad, the state and other provinces have put in more than 93 million yuan (25 million U.S. dollars) to help fund Jiangsu's reclamation projects. Negotiations are now under way with the World Bank for another 63 million U.S. dollars.

Jiangsu has many rivers and lakes, and about 1.7 million hectares of water surface in the province is suitable for raising fish. Last year, the province produced 540,000 tons of seafood.

On central Jiangsu's rolling hills, farmers have planted ginkgo, chestnut, and mulberry trees, tea shrubs and bamboo.

The Jiangsu Government has plans to build 10 seafood, fruit, timber, livestock, and other agricultural commodity production bases before 1990.

**Jiangxi Sets Up Village Administrative Offices**  
*OW071119 Nanchang Jiangxi Provincial Service  
in Mandarin 1100 GMT 5 Apr 88*

[Text] To guarantee rural reform organizational, Xinjian County, Jiangxi, has set up village administrative offices in the county—first in a few villages, and then in many others—and staffed them with hired personnel.

In accordance with the Constitution and the organic law for villagers' committees, the Xinjian County party committee and the county people's government set up village administrative offices on the basis of the original village groups. They set up the villagers' committees at natural villages with the purpose to strengthen village-level administration and promote commodity production in the rural areas. As branches of township and town people's governments, the village administrative offices exercise leadership over the villagers' committees on

behalf of the township and town governments. Now the committees have become the masses' grass roots-organs through which villagers' administer, educate, and serve themselves.

Xinjian County began to establish village administrative offices in early March. By the end of the month, administrative offices had been set up in 325 villages. According to the principles of small in size and high in efficiency, regulations governing the staffing of these village offices and the appointment, dismissal, duties, and pay-scales of their administrative personnel have been amended.

Under a hiring system, all cadres of the village administrative office will be hired by township or town people's government to serve a 3-year term after they have been appraised by the masses and examined by relevant organizations. Those whose performance is good can continue to serve in the office, and those who are incompetent can be dismissed any time. This has heightened the cadres' sense of responsibility and dedication.

The establishment of village administrative offices has further improved the grass-roots organization of the rural areas as well as the proficiency of rural cadres. In Lianxun Township, the number of cadres has been reduced by 118, and over 78 percent of the incumbent cadres are either junior or senior high school graduates. The annual subsidy for cadres has now been reduced by 24,500 yuan, and because of the special subsidy for cadres from the county treasury the masses' financial burden will be lessened by 800,000 yuan annually.

**Shandong Coal Port To Develop Export Industry**  
*HK080402 Beijing CHINA DAILY in English  
8 Apr 88 p 2*

[By staff reporter Zhang Yuan]

[Text] Shijiusuo Port in Shandong Province, China's largest special coal export port, is drawing up plans to develop an export-oriented industry base.

Liu Bingxin, head of the port, said, "If a port wants to be prosperous, it should have a large area containing rich resources for export and strong industry to support it."

So the port itself is preparing to attract foreign investment for its 70-square-kilometre area, developing such industries as iron and steel, building materials, rubber and electrical appliances.

Feasibility studies on investment by foreign companies or co-development with foreigners will be welcome, Liu said.

A Japanese company is negotiating with a coal mine in the province to invest 100 million yuan to set up a joint venture and produce coal slurry for export to Japan.

Because of the emergency [as published] of the port, Rizhao City was formed. However, he said nine years ago the port was still a fishing village. But its deep water, usually about 15 metres, and good location attracted attention from the State as the country opened itself to the outside world. The State decided to make it a big coal export port and construction started in 1982.

So far 42.6 billion Japanese yen in loans has been spent in the first phase of construction on two 100,000-ton wharfs for coal export with an annual handling capacity of 15 million tons. But last year only just over 4 million tons of coal was exported through the port because the low oil price on the international market affected China's coal exports.

In 1990, about \$70 million in loans from the Japanese Government will go to the second phase construction of several wharfs for iron ore and other cargo.

**Shanghai's Jiang Zemin Attends Party Conference**  
*OW071323 Shanghai City Service in Mandarin*  
2300 GMT 5 Apr 88

[Excerpt] The Shanghai Municipal CPC Committee held a democratic consultation conference 4-5 April to hear views from all circles on the namelists of candidates for leadership of the Ninth Shanghai Municipal People's Congress, the municipal people's government, and the seventh municipal CPPCC Committee. Jiang Zemin, secretary of the Shanghai Municipal CPC Committee, presided over the meeting. Attending the conference were members of the various democratic parties and those without party affiliation, as well as officials of mass organizations in Shanghai.

According to station reporter (Zheng Wengong), the conference pointed out that the First Session of the Ninth Shanghai Municipal People's Congress and the First Session of the Seventh Shanghai Municipal CPPCC Committee will open on 20 and 18 April, respectively. The sessions will elect new leading comrades of the municipal People's Congress, the government, the CPPCC Committee, the municipal People's Higher Court, and the procuratorate. Wu Bangguo, deputy secretary of the Shanghai Municipal CPC Committee, explained the personnel arrangements at the conference. [passage omitted]

**Shanghai's Jiang Attends Tomb-Sweeping Ceremony**  
*OW071125 Shanghai City Service in Mandarin*  
2300 GMT 4 Apr 88

[Excerpt] Yesterday was Tomb Sweeping Day. Shanghai's party, government, and military leaders and responsible persons of democratic parties and people's organizations held tomb sweeping ceremonies at Soong

Ching Ling Mausoleum and the Cemetery of Revolutionary Martyrs in Shanghai to mourn the late honorary president of the PRC and revolutionary martyrs. Yang Di, deputy secretary of the Shanghai Municipal CPC Committee, presided over the ceremony. Jiang Zemin, secretary of the municipal party committee and mayor, who just returned from a trip abroad, attended the ceremony. Amidst music, Jiang Zemin and other leaders placed wreaths at the Soong Ching Ling Mausoleum and the monument to the revolutionary martyrs on behalf of the municipal party committee, the municipal Advisory and Discipline Inspection Commissions, the municipal People's Congress, the municipal government, the municipal CPPCC Committee, the democratic parties, the people's organizations, PLA units stationed in Shanghai, and Armed Police Units.

Other leading comrades present at the ceremony were Chen Guodong, Hu Lijiao, Wang Daohan, Huang Ju, Wu Bangguo, and Zeng Qinghong. [passage omitted]

**Zhejiang Factory Strike Supports Director**  
*HK070908 Hong Kong AFP in English*  
0902 GMT 7 Apr 88

[Text] Beijing, April 7 (AFP)—A strike broke out recently in a Chinese factory in support of the director, who resigned because of Communist Party and local authority interference in his work, the CHINA LEGAL NEWS said Thursday.

The director was later attacked by a gang hostile to his reforms and is still in hospital, the newspaper said.

Two-hundred workers at an electric motor factory in Chenxi ng in eastern Zhejiang Province downed tools March 3, in spite of a ban on strikes, after factory director Shang Chengxian handed in his notice, the newspaper said.

He was the best worker and the best young director in the city, it said.

Mr. Shang resigned because Communist Party officials and the municipal authorities interfered in his management at a time when the "responsibility system" giving bosses real power was being proclaimed throughout China, the newspaper said.

As soon as the strike was launched the local authorities demanded Mr. Shang resume his position—which he agreed to do, the newspaper said.

But he was attacked on his way to work by seven people, including the wife and brother of the factory's Communist Party official, and was now in hospital, the newspaper said.



The affair began with a contentious decision by Mr. Shang to raise the salaries of technical staff without increasing those of more senior personnel, the newspaper said.

The furious seniors, led by the vice-director, got the neighborhood committee to overturn the decision and the municipal authority then turned over responsibility for factory finances to the party official, it said.

Mr. Shang vigorously opposed these measures, which contradicted the spirit and letter of company reforms under debate in Beijing at the National People's Congress, China's parliament, the paper said.

Two members of the gang that attacked Mr. Shang were sentenced to 15 days' detention and made to pay his medical costs. The local party secretary and the vice-director were stripped of their functions after having made self-criticisms, the newspaper added.

Mr Shang will return to the factory when he leaves hospital, it said.

### Central-South Region

**Guangzhou Cracks Down on Drug Trafficking**  
*OW071326 Beijing XINHUA in English 0958 GMT 7 Apr 88*

[Text] Guangzhou, April 7 (XINHUA)—The Guangzhou customs have uncovered 18 cases of international narcotics trafficking, and seized 55.6 kg of heroin and 2.6 kg of opium at Baiyun Airport in the past few years.

According to a customs official, the narcotics were seized mainly on planes flying from Bangkok to Guangzhou.

The latest case was uncovered February 27, when customs officers examined passengers from a Thai airliner and seized 1,300 grams of heroin from a Hong Kong passenger.

**Officials Address Hubei Foreign Trade Meeting**  
*HK071415 Wuhan Hubei Provincial Service in Mandarin 1000 GMT 6 Apr 88*

[Text] A Hubei provincial conference on foreign economic relations and trade concluded today.

Li Lanqing, vice minister of foreign economic relations and trade, and Xu Penghang, vice governor of Hubei, delivered important speeches at today's conference.

In his speech, Li Lanqing said: Our reform of the foreign trade system is aimed basically at resolving the issue of "eating from the same big pot." In conducting the reform of the foreign trade system, we must popularize the integration of industry and trade and the integration of agriculture and trade as well as the agency system, assist enterprises in managing foreign trade, and act as

import and export agents for enterprises. At the same time, we must implement the system of full financial responsibility through the contracted management responsibility system.

Li Lanqing expressed the hope that all areas will make sure that their enterprises fulfill their contracted tasks; adopt all kinds of measures to encourage the promotion of the integration of industry and trade; give full play to the superior advantages shown through the integration of industry and trade, with the emphasis on conducting joint operations with business consortia; and assist a number of township and town enterprises as well as some medium-sized and small enterprises in increasing foreign exchange earnings through exports. We must develop energetically processing of materials supplied by foreign businessmen as well as processing of imported materials, expand the output of key products, strengthen research on the expansion of international markets, and assist enterprises in increasing market absorption of their products.

In his speech, Xu Penghang expressed the hope that economic and trade departments throughout Hubei Province will further emancipate the mind, deepen their understanding, continue to turn their old ideas into new ones, strengthen their consciousness of commodity economy, further deepen reforms, and promote the development of our province's foreign trade.

### Southwest Region

**Dalai Lama Views Relations With Beijing**  
*HK070859 Hong Kong SOUTH CHINA MORNING POST in English 7 Apr 88 p 17*

[By London correspondent David Wallen]

[Text] The Dalai Lama clasped his hands in prayer and smiled when asked whether Hong Kong should trust the Chinese Government to stand by its word after 1997.

"A delicate question, a very delicate question," he replied. "I don't know."

Exiled from his country nearly 30 years ago and now witnessing his people taking part in a revolt against Beijing he can only just control, the spiritual and temporal leader of Tibet remains a firm believer in the future.

"The other day I met one Chinese friend. I told him that we have already experienced a lot of problems and a lot of misery. It follows from that we are very much concerned about the future of the people of Hong Kong," he said.

"I told my friend that the number six doesn't seem very lucky. There are six million Tibetans and about the same number of people in Hong Kong."

He answers very slowly. "Basically overall the Chinese attitude and thinking is much changed. I am hopeful for the future of Hong Kong."

The venue is an opulent first-floor apartment in an exclusive block in London's Mayfair. The floor is thickly-carpeted and the walls are covered by hastily-hung Tibetan religious paintings and silks, somehow incongruous in the setting.

It has been hired for his 11-day private visit to Britain with security people in the lobby and a blue Daimler limousine to whisk him around town.

The Dalai Lama enters bowing gracefully, dressed in long burgundy and gold robes, a modest pair of brown leather shoes with moulded soles and wearing slightly blue-tinted spectacles.

His full title translates as "Venerable, Having Authority Over His Speech, Ocean of the Holder of the Faith, Ruler of the Three Worlds, the Peerless One", but his bearing is so humble that it is hard to believe that Beijing goes into furies whenever he speaks of his people's fate.

He chuckles quietly to himself. He often chuckles which seems strange given the plight of his people but that is the nature of this enormously jovial man. He is the revered religious leader, the reincarnation of all other Dalai Lamas to Tibet's Buddhists, who still maintains an enormous political hold over many of the people in his land he has not seen for so long.

At a time when many monks and young people in Tibet appear to be rejecting pacifism he still maintains his seemingly failing policy of non-violence towards the Chinese occupiers will bring final freedom.

"Chinese policies have changed a lot over the years, they have a much more human face now," he said.

"This is a positive thing, but there is still a lot of progress to be made. Take their policy towards Tibet, today it is much better than it was a few years ago comparatively, this is a hopeful sign."

Mrs Thatcher has refused to see the Dalai Lama during his visit out of fear of offending China and the most prominent figures he will meet during his stay will be former Prime Minister Edward Heath and the Archbishop of Canterbury, Dr Robert Runcie.

The Chinese Government last month made it clear it would not view kindly any governments which received the Dalai Lama, and the message went out to his home in Dharmasala, India, that if he wanted a visa he had better refrain from political statements about the British Government's position during his stay.

"I don't want to embarrass the British Government while I am here," he said.

Britain had a special link with Tibet that dated back to the Qing Dynasty.

"But, you know the British Government had not always been very clear in what it was doing, sometimes they would deal with China over Tibet and sometimes directly with Tibet itself.

"If the Government finds it inconvenient to see me, it is no problem for me."

If the British Government wanted a close relationship with Beijing at this time it was natural they would be cautious.

"Sometimes they seem over-cautious, but then I have no right to say these things," he said. Earlier this week Beijing renewed its invitation for the Dalai Lama to return home, saying he would be free to live in the capital Lhasa so long as he refrained from calling for his homeland's independence. He would be given the same post of vice-chairman in the Chinese National People's Congress, or Parliament, as Tibet's second-highest religious leader, the Panchen Lama.

The Dalai Lama has turned the invitation down. "I can serve outside Tibet, I would be more useful outside the country," he said. He would be seen as a political stooge if he returned and took up the position on offer.

"The basic problem is not one of my return, the problem is one of six million people and their culture. It is not my future that is at stake. I myself am not at all concerned about my future, one Buddhist monk can manage very easily."

But despite rejecting the offer, he will continue to hold talks with the Chinese. Even after the recent events in Tibet, the Chinese Government wants to keep this direct link open.

"I have always regarded this direct human contact as very useful and very important, eventually it could produce some awareness from the Chinese."

There were hard-liners and liberals in Beijing today. "A more open, liberal attitude among the Chinese leadership would ultimately solve that problem," he said.

A great deal rested on opinion within China. Quite a number of Chinese had expressed a sympathetic attitude towards Tibet.

One of the key issues remained the influx of Chinese into Tibet. "If the situation continues to go on like this, then very soon the Tibetan people will be in a minority in their own country."

But were Tibetans now getting impatient and taking matters into their own hands through the use of violence?



"That is correct, both inside and outside Tibet, especially among the younger people, the feeling of militancy is growing and this is of some concern.

"Sometimes I have a big argument with some of the younger people. They prefer a radical approach but so far they listen to my suggestions and my advice," he said.

"But the non-violent method is the right method. I feel violence, bloodshed and killing is very inhuman. I say of the use of violence, 'You may solve some problem, but it very often creates another problem.' In our case, violence is almost like suicide.

"With true justice and human understanding we can change our Chinese friends' minds. If we use violence, then the Chinese will find it very easy to crush us."

**Tibetan Exiles Said Urging Campaign of Terror**  
*HK080801 Hong Kong HONGKONG STANDARD in English 8 Apr 88 p 1*

[**"Exclusive"** by Jackie Sam]

[Text] Young Tibetan radicals are pressing for a global terror campaign aimed at China, against the will of their exiled leader, the Dalai Lama.

In Dharamsala and other refugee centres in India, they are talking openly about bombing Chinese embassies, assassinating Beijing's leaders and hijacking aeroplanes.

The Dalai Lama said in an interview in Dharamsala that he had been trying to talk his young followers out of what he described as "suicidal" actions that would go against Buddhism, the bedrock of the Tibetan cause.

But the possibility of a terror campaign in the style of the Palestine Liberation Organisation [PLO] is still being mooted among radicals grouped around the Tibetan Youth Congress.

They say they are frustrated by what they see as a lack of progress by the Dalai Lama's government-in-exile, and India's neutral stance on the recent riots in Lasa.

The congress secretary-general, Mr Tashi Namgyal, told THE STANDARD that almost 30 years of a non-violent approach had got the cause nowhere and the time had come for "more positive action" against China.

He said he was confident that arms would be available and there would be enough supporters outside India to finance a terror campaign.

But he added that no detailed plans had been worked out and no final decision had been taken.

"We're still at the talking stage," he said.

Some congress leaders said they were prepared to risk the deaths of innocent people who were neither Chinese nor Tibetan in furthering their cause.

"If that's the way it's got to be, we have to accept it," one said.

Any violent action by the Tibetans would endanger their presence in India, which has given them refuge since the Dalai Lama fled Tibet in 1959 after an abortive uprising.

Mr Namgyal said there had been no contact with the Palestine Liberation Organisation nor was there likely to be, because there was no common cause.

But other young radicals feel that they should get help from all sources.

They also say that while the Dalai Lama lays great store by Buddhism, younger Tibetans see independence as strictly a political issue that should not be compromised by religion.

Most of the young radicals interviewed said the PLO had gained United Nations and worldwide recognition only after it began hijacking aircraft and planting bombs at strategic locations around the world.

Such radical thinking appears to indicate a decline of the Dalai Lama's influence.

Although the Dalai Lama denies this, it is evident from recent statements by young Tibetans that a new generation of exiles is chafing at the controls placed on them by both the spiritual leader and his government-in-exile.

A recent publication produced by young Tibetans described them as "sandwiched between Deng Xiaoping's Four Modernisations and Rajiv Gandhi's 21st Century", but "still in the world of swords and sorcery."

The exile community in Dharamsala still reveres the Ngagpala, a monk who blows on a horn to control the weather.

The Indian Government has already warned against any violence by the Tibetans, and Indian police acted to break up a hunger strike sponsored by the Tibetan Youth Congress in New Delhi.

The congress claims that three women involved in the protest outside the United Nations Office in Lodi Estate, near New Delhi's diplomatic enclave, were force-fed before being released.

Meanwhile, agency reports from London say that an offer by the Dalai Lama of a compromise with China reflect a desire to ease tensions in Lhasa.

The Dalai Lama's remarks in London on Wednesday were evidently aimed at China's moderates who are opposed to recent calls within the Chinese Communist Party for repressive measures against Tibetan rioters.

The Dalai Lama said on Wednesday that he was ready to discuss a compromise solution "if circumstances really became more favourable and positive."

**Hong Kong Paper on Dalai Lama's 'Army'**  
HK080845 Hong Kong HONGKONG STANDARD  
in English 8 Apr 88 p 12

[Text] The name is innocuous: Indo-Tibetan Border Police. That it has a commando training centre in Tekanpur, north India, is not unusual these days when terrorists are an ever-present threat.

That it is deployed on the high Siachen Glacier, facing crack mountain units of the Pakistan Army only underscores its border role.

But when the Indian Army punched into East Pakistan (now Bangladesh) in 1971, the point was taken by this Indo-Tibetan force.

It advanced rapidly because the ground had already been softened by guerrillas—from this same Indo-Tibetan Border Police.

In truth, it is neither Indian nor a police force. Knowledgeable Indians in New Delhi and retired officers of this force say that it is in reality the Dalai Lama's own standing army.

It was set up soon after a CIA-sponsored guerrilla war, mounted from Nepal against the Chinese People's Liberation Army in Tibet, collapsed.

This "border police" patrol is still wrapped in secrecy; its size, weapons and funding unknown. But New Delhi sources say that the Dalai Lama or his government-in-exile has a say in its deployment. Officially it is part of the Indian Army.

This would mean that the exiled Tibetan spiritual leader or his Kashag (Cabinet) agreed to the blooding of the force in East Pakistan. According to some of its retired officers, the force acquitted itself very well.

The force was evidently built up in preparation for the Dalai Lama's return to Lhasa. he would then have an instant army to defend an "independent" Tibet.

But it is doubtful that this "border police" force can stand up to the PLA on its own—now or in the future. Young radicals, however, point out that it provides a ready pool of people trained in weapons-handling for a terrorist war against China.

**Tibet Leader Stresses External Propaganda**  
HK071420 Lhasa Tibet Regional Service  
in Mandarin 1130 GMT 6 Apr 88

[Excerpts] The leading group for external propaganda under the autonomous regional party committee held a meeting on 5 April to discuss issues concerning our region's external propaganda.

Attending the meeting were Danzim, deputy secretary of the autonomous regional party committee and head of the committee's leading group for external propaganda; (Li Weilun), Yang Houdi, and (Qingrao Jiapu), deputy heads of the leading group; members of the leading group; and responsible persons from relevant autonomous regional organizations. [passage omitted]

Those who attended the meeting said: Over the past years, due to the leftist ideological influence over our propaganda, we have failed to understand fully the special characteristics of Tibet and the protracted and complex nature of the struggle between separatism and anti-separatism. As a result, the old, traditional concepts still have influence upon our propaganda. Therefore, we must achieve a deep understanding of the special characteristics of Tibet as well as the complex and arduous nature of Tibet's external propaganda. [passage omitted]

Comrade Danzim delivered a speech at the conclusion of the meeting, saying: To promote our external propaganda successfully we must first change concepts, emancipate the mind, and reform the forms and methods of our propaganda. Under Tibet's new historical conditions one of our very important tasks is to break down thoroughly the closed and semiclosed conditions. At present there is serious blindness in our region's external propaganda and we have failed to analyze and understand our propaganda targets conscientiously. Therefore, we must do well in guiding and coordinating our external propaganda conscientiously, strengthen external propaganda in accordance with the targets' special characteristics, pay attention to information feedback, and achieve better results in external propaganda. The guiding principles for our external propaganda must be based on equality, credibility, and seeking truth from facts. Our external propaganda must help safeguard the unity of the motherland and must also serve our economic construction. These two points are the goals of our external propaganda and the most important criteria for weighing the effectiveness of our external propaganda.

**Tibetan Leader Stresses Study of Native Language**  
HK071403 Lhasa Tibet Regional Service  
in Mandarin 1130 GMT 6 Apr 88

[Excerpts] On the morning of 4 April, Danzim, deputy secretary of the autonomous regional party committee, addressed a work conference on the study, application, and development of the Tibetan language, pointing out: The work of studying, applying, and developing the



Tibetan language is an important task aimed at implementing the party's policy toward nationalities. This work is an important way to carry out the regional autonomy of minority nationalities, as well as the key to promoting and developing the Tibetan national culture. [passage omitted]

Deputy Secretary Danzim said: For a long time in the past, due to leftist influence, the work of studying, applying, and developing the Tibetan language was ignored. [passage omitted]

After stressing the importance of studying and applying the Tibetan language, Deputy Secretary Danzim demanded that leading organs at all levels adopt practical measures to ensure implementation of the resolution on studying, applying, and developing the Tibetan language as adopted by the autonomous regional People's Congress. [passage omitted]

### North Region

**Hebei's Yue Qifeng on Popularization of Law**  
*SK080001 Shijiazhuang HEBEI RIBAO*  
*in Chinese 14 Mar 88 p 2*

["Excerpts" of speech by Yue Qifeng, deputy secretary of the Hebei Provincial CPC Committee, delivered at the third provincial work conference on propaganda and education on legal systems—date not given]

[Text] The third provincial work conference on propaganda and education on legal systems was held successfully. Through this conference, comrades have upgraded their understanding on the importance and urgency of popularizing legal knowledge to a new level, deepened their understanding on the important position and function of legal systems in the process of conducting reforms and opening to the outside world, further defined the ideology for guiding the work of popularizing legal knowledge, and have become more confident in succeeding in conducting propaganda and education on legal systems.

We must acknowledge fully that over the past 2 years, our province has progressed relatively smoothly in the work of popularizing legal knowledge under the leadership of the party committees, people's congresses, and governments at all levels and thanks to the positive assistance and cooperation of various social circles; and that the achievement scored by the province in this regard can be affirmed. As of the end of 1987, 65.9 percent of the total number of the province's people who are able to receive the education attended classes on popularizing legal knowledge, some 1.06 million cadres basically studied the "10 laws and 1 regulation", and leading cadres generally enhanced their sense of the law. The majority of higher educational institutions and middle and primary schools have opened courses concerning legal systems and scored marked effects in teaching. Urban areas, enterprises, and establishments have

also achieved new development in the work of popularizing the law, which has promoted reform in economic systems and economic construction. On the basis of conducting pilot work in this regard, the rural areas have also carried out successively the work of popularizing the law. In short, the basic characteristics of the province's work of popularizing the law are as follows: Leadership has attached great importance to the work. The province has organized the work carefully and adopted effective and manifold measures for the work. Meanwhile, attention has been paid to studying for the purpose of application, bearing in mind the actual situation, and integrating organically the work of popularizing the law with the programs of conducting reforms in the economic system, improving party style, building the spiritual civilization, and consolidating public security in a comprehensive way. The province has scored marked social effects in this regard. An upsurge in studying and applying the law throughout the province has taken shape basically and is developing forward in a stable and healthy way. Generally speaking, the province's situation in developing the work of popularizing the law is fine. However, we must be sober to understand that the current work of popularizing the law has lagged far behind in both depth and breadth by the demand of situation development. Leading cadres in some localities have not understood deeply the importance of the work of popularizing the law and lacked a sense of urgency. Although some localities have made more arrangements for the work, they have conducted less examination over the work and have not implemented their measures effectively. Moreover, specific units among them have not placed the work on their work schedule up to present. Therefore, various localities should review their work earnestly in popularizing the law over the past 2 years, find out the existing gap and reason for the gap, and should handle the gap by solving some concrete problems to make things convenient for deepening the work of popularizing the law.

As for the general arrangement of the work of popularizing the law in 1988, Comrade Jianzhang has given a clear explanation in his work report. Comrade Tan Zushun and Li Yushui have also delivered speeches on the arrangement. I agree totally with the opinions described in their speeches and wish all participating comrades to report the arrangement to their party committees and governments, to study earnestly the arrangement by bearing in mind the actual situation, and to get a good hold on implementing the arrangement. Now, I would like to put forward the following opinions concerning understanding and leadership in deepening emphatically the education of popularizing the law.

#### 1. Discern Fully the Importance and Emergency of Popularizing the Law in the Initial Stage of Socialism Earnestly and Successfully [subhead]

The 13th CPC Congress has placed the task of building socialist legal systems on an important and prominent position. First, we have attached importance and emergency on the work of popularizing the law mainly

because it represents the demand of building socialism with Chinese characteristics. This is a matter of strategy and has a vital bearing on the whole situation. Since the 3d Plenary Session of the 11th CPC Central Committee, the program of building socialist legal systems has become an important content in building socialism with Chinese characteristics. Over the past 9 years, we have achieved very great development in the legislative work. In order to meet the demand of conducting reforms and opening to the outside world, the National People's Congress and its Standing Committee have formulated 118 laws, rules, and regulations. It may be said that we have, to date, been able to follow the law in doing things in many aspects. However, it is inevitable for the state to have a gradual process in establishing laws and for citizens to know well and abide by the law. The process is to popularize legal knowledge among the people as a whole steadily and to deepen the propaganda and educational work of legal systems. Therefore, the central authorities have made up their minds to concentrate on popularizing legal knowledge among citizens in the upcoming 5 years during the initial stage of socialism. This is an important policy decision made by the state in line with its basic conditions and the actual need of building socialism in the country and also is a big event which has a vital bearing on upgrading the quality of national spirit. Only by having the people throughout the country enhance their sense of legal systems and law and get a hold on legal knowledge can we thoroughly smash the "man-control" traditional habits; bring about socialist political systems rapidly with highly developed democracy, perfect legal systems, strong efficiency, and full vigor; and further accelerate the pace of building socialism with Chinese characteristics.

Second, the work of popularizing the law represents the necessity of perfecting socialist democratic politics. "Socialist democracy is inseparable from legal systems". The essence or core of socialist democratic politics is to have the people be the country's masters and to have the masses truly enjoy various civil rights and the right of managing state affairs. However, our country's several-thousand-years feudal history, the deep-rooted "man-control" concepts of cadres and the mass, and the long-standing leading system of integrating party affairs with government work since the founding of the PRC enables some comrades to still have the concept and habitual force of feudal patriarchal behavior, giving instructions instead of enforcing the law, launching political movements instead of enforcing the law, and of using power to suppress the law. Thus democratic rights and freedom enjoyed by the people and social communities often cannot be protected by the law. Under the condition in which our country has established the socialist legislative system basically, a fundamental way to deal with this problem is to enhance vigorously the propaganda and educational work of legal systems and strive to enhance the concept of legal systems and the sense of democracy among the broad masses of cadres and people. Only by so doing can we enable leading organs and cadres at all levels to use the Constitution and

law consciously to standardize their behavior and enable the people to know the law well, to abide by the law, and to apply the legal weapon to safeguard the statutory right and interest of the country and themselves and wage struggles against various crimes and violations. Therefore, by doing a good job in popularizing legal knowledge, we can orient our undertakings on the track of legal systems gradually and lay a solid foundation to build socialist democratic politics with Chinese characteristics.

Third, the work of popularizing law is necessary to safeguard and promote the development of socialist productive forces. The 13th party congress defined the development of productive forces as the focus of all work during our country's initial stage of socialism. Economic construction and development of productive forces need our efforts not only to deepen reform but also to create a stable and united social environment. Along with the unceasing deepening of economic structural reform and opening up to the outside world, the scope of enterprise activities has expanded gradually; the economic relations of all fields have become more complicated; and the responsibilities of enterprises have become greater. The law relations that emerged during reforms and the measures formulated for developing productive forces need our efforts to codify them in the form of laws and change them into forces to mandate the will of the country. Only by popularizing laws among enterprises deeply can we enable economic laws and regulations that emerged during reform and opening up to make enterprises formulate correct operational policy decisions consciously, and business targets and methods in line with policies and laws and apply legal means to regulate all complicated economic relations. This will help to consolidate reform achievements and safeguard the development of productive forces. The experience introduced at the meeting shows fully that localities that have done a good job in applying legal means to manage economic activities have witnessed smooth progress in reform and construction and rapid development in productive forces.

Fourth, the popularization of law is necessary to realize a long period of order and stability in the country. During the new historical period, the destabilizing factors still exist in society, and the class, social and ideological roots of crimes still exist. However, one of the most important reasons for destabilizing factors and crime in society is that some localities' work of popularizing laws is weak and their cadres lack legal knowledge. This is why we usually call them "people who know nothing about laws." Practice shows that enforcing punishment strictly and strengthening the people's democratic dictatorship is an important measure to eliminate destabilizing factors in society and deal blows to criminal activities. This, however, is not a radical measure. The drastic measure to deal with this situation is to deepen education on popularizing legal knowledge; strive to raise all citizens' legal concepts and their sense of being a citizen; make them understand what rights



they can enjoy, what duties they should perform, and what things they should and should not do; and enable them to conduct activities consciously within the framework of the law. If the 1 billion people grasp the weapon of the law skillfully, then, all acts that sabotage democracy, trample the law underfoot, and disrupt stability and unity will lose their footholds, and will be resisted and struggled against by the masses of people. A long period of order and stability in the country will emerge smoothly.

**2. We Should Grasp the Work of Popularizing Law as One of the Strategic Tasks of the Whole Party and All the People, and Strengthen Organizational Leadership Realistically [subhead]**

After 2 years of strenuous efforts, our province has achieved remarkable success in popularizing the law. Leaders at all levels and comrades engaged in this work have done much in this regard. However, to realize the 5-year law popularization plan, we still have to undertake arduous tasks. We should not, in the slightest degree, slacken our efforts. We must carry out law popularization work more realistically and effectively.

First, we must attach importance to this work and include it on our agenda. Popularizing legal knowledge is a major matter of the whole party and all the people. Realistically establishing a system and a concept of managing things strictly in line with the law needs the strenuous efforts of several generations. We must understand this point clearly. The party committees and governments at all levels should overcome the ideology of considering law popularization as temporary work and the concept of taking it as a mere task, include it on their agenda and in their overall work plan realistically, and make arrangements for it. All localities should strive to readjust and replenish the law popularization leading group and the strength of its subordinate offices. We should persist in simplifying organs, and should streamline or strengthen organ that need it. Offices in charge of law popularization should be strengthened and not weakened. We may think about transferring personnel to these offices from the increased staff quotas of the political and legal departments. We should also allocate necessary funds to guarantee the normal progress of the law popularization work. It is worthwhile to spend some money on this work. Carrying out the law popularization work successfully is not only conducive to stabilizing social order but also to increasing economic results directly.

Second, it is necessary to grasp and manage the work of popularizing legal knowledge with concerted efforts and pay attention to the work in various regions and departments. Regarding the leadership over the law popularization work, we should adhere continuously to the principle of having the party committees and governments at all levels assume unified leadership; the propaganda, judicial, and administrative departments to manage the work; and all fronts and departments to jointly

take charge of the work. This year we should implement comprehensively the responsibility system of managing the law popularization work throughout the province, share the responsibility to different levels, and implement the law popularization tasks in various departments. 1. We should share the responsibilities and tasks to four levels, namely, the city, county (district), township (town), and village levels, and make each level grasp the work; and 2. We should divide the responsibilities based on departments and urge them to grasp the work systematically, thus forming a system to guarantee the establishment of well-conceived and strict organizations to popularize laws from the higher to the lower levels. We should consider the achievements in popularizing legal knowledge as one of the major tasks of appraising the performance of the leading bodies of the party committees, people's congresses and governments at all levels and of the personal achievements of leaders in an effort to commend the advanced and to stimulate those lagging behind.

Third, we should maintain close ties with the reality and exert strenuous efforts to apply the law. This is the fundamental purpose of popularizing the law and the basic principle and major task of deepening the popularization of law unceasingly. During the meeting, we have introduced many advanced experiences. But they have one point in common. That is, the vitality of the law popularization work lies in our efforts to solve problems unceasingly in accordance with the law. Only by maintaining close ties with the reality and exerting efforts to apply laws can we make the people feel that studying laws is useful because they can solve problems, make them feel more interested in studying laws and have greater enthusiasm in the study. Therefore, at present and for a considerably long period in the future, we should combine closely the popularization of legal knowledge with the study of political theories focusing on the documents of the 13th party congress and with the building of spiritual civilization and the ideological and political work, enable the content of the socialist legal system to diffuse directly or indirectly into the whole society to become a conscious power of all citizens to set norms for themselves, enable them to enhance their concept of the legal system and foster the habit of managing things in line with the law, and bring our political, economic and social life back to the legislative path gradually. In order to induce the study of laws to "application" correctly, all localities should pay attention to grasping typical cases; sum up and popularize advanced models and new experience of universal guiding significance timely; enable each period, each stage, and each level and different persons to have examples to follow, and to deepen the popularization of laws continuously.

Fourth, it is imperative to bring into full play the important mass media role in propaganda. Various localities should do a good job in drawing support from modern propaganda means with high coverage rate;

attach importance to the position and role of newspapers, periodicals, radio and television broadcasts, films, operas, books, culture, and art in popularizing the law; and bring into full play the enthusiastic forces of various fields on the propaganda and cultural fronts to turn out more and better mental products and to enhance the atmosphere in the work of popularizing the law. Regardless of what form has been adopted, the work in popularizing the law must conform to the law's standard. We should stress the seriousness and accuracy of the work and achieve integration among the work's contents concerning ideology, knowledge, and tastes. We should advocate that the law's importance can be explained in line with the cases, that the law's contents can be described according to facts, and that efforts should be made to apply noted figures and popular methods to carry out propaganda on the popularization of the law to enable propaganda activities in this regard to have more educational significance, to be richer and more colorful, to become more interesting and absorbing, to imbue continuously with new vitality or vigor the education on popularizing the law, and enhance the penetrating role of education on popularizing the law.

Fifth, it is imperative to carry out inspection in an organized and guided manner over the work of popularizing and enforcing the law. Practice has shown that this is a good and effective method to deepen the work of popularizing the law and also is an important way to promote the correct enforcement of the law. The inspection operation emphasis in 1988 will be placed on leading organs and cadres at all levels and on the departments in charge of enforcing the law. While inspecting the work of popularizing and enforcing the law, efforts should be made to enlighten or encourage the broad masses of cadres and people to show concern for democracy and the building of legal systems by displaying highly their political enthusiasm; to apply the law to check the reality in their own localities, departments, and units; to report actively to their higher authorities problems that crop up in various links in the construction of legal systems including legislative work, judicial work, enforcing the law and legal supervision, and put forward their opinions on handling these problems; and to overcome or change effectively the evil trend of doing things not according to the law, not enforcing the law strictly, and of not investigating cases violating the law. Moreover, we should further foster the law's authority, upgrade the prestige of leading organs and cadres at all levels among the masses, and should create a new situation in the province's program of building socialist legal systems.

The work of popularizing the law represents a grand social project in the initial stage of socialism and is the long-term self-education activity in which the vast number of people can do away with ignorance of the law. The provincial party committee wishes that after the work conference, our province should advance the work of popularizing the law into a new stage and make new

contributions to accelerating or deepening reforms, developing the economy, achieving a stable turn for the better in political stability and unity and in social peace.

**Tianjin Young Workers Compete for Top Honors**  
*OW071231 Beijing XINHUA in English 0257 GMT*  
6 Apr 88

[Text] Beijing, April 6 (XINHUA)—“Top ten pacesetters” in Tianjin city will be selected from 73 young workers, who were either nominated by others or who entered themselves, today's “CHINA YOUTH NEWS” reported.

“This is the first time in China to competitively select workers as ‘pacesetters,’” the paper said, adding in the past these awards were decided by the appointment and approval of superiors as models for other workers.

In the first round of the selection process, the 73 candidates had to make a three-minute speech in front of the selection committee which consists of 200 young workers, 100 individuals from various fields and a group of journalists, the paper reported.

“The candidates’ supporters tried their best to help their nominees project a better image, with some even wearing Western-style suits,” the paper said, “and when making their speeches, some blue-collar workers clipped a shiny pen to their jacket pocket to look more intellectual.”

According to the paper, despite all these efforts, the committee was impressed by only a few candidates, mainly because too many tried to impress the committee with big words and political slogans.

All residents in the city will have a chance to meet the 20 nominees who received the committee's nod of approval via the media before the final ten are selected by public election.

**Northeast Region**

**Liaoning Secretary on Opening Liaodong Peninsula**  
*SK080433 Shenyang LIAONING RIBAO in Chinese*  
23 Mar 88 pp 1, 3

[Speech given by Quan Shuren, secretary of the provincial party committee, at a meeting of secretaries of the city party committees and mayors on 13 March: “Emanipate Thinking and Grasp the Work Relentlessly”]

[Text] The State Council's approval of opening up Liaodong peninsula to the outside world will have a profound and far-reaching influence on Liaoning's work and enable it to undergo profound changes. This move is a favorable term for invigorating and improving Liaoning. We should understand this point fully. It is precisely because of this important point that our principal leading cadres must enhance understanding, make their work



and ideology catch up with the situation of opening up, meet the demands of opening up and shift the emphasis of work on accelerating the development of Liaodong Peninsula in an effort to stimulate the work of the whole province. To this point, I would like to offer two suggestions.

First, we should deeply understand the party Central Committee's economic development strategy for the coastal areas and the important significance of opening Liaodong Peninsula to the outside world, conduct experiments boldly, further emancipate minds, and catch up with the situation. Here, I want to talk particularly about the issue of conducting experiments boldly. I maintain that conducting experiments boldly is the key to emancipating thinking in Liaoning and is the key to implementing the party Central Committee's economic development strategy for the coastal areas and the principle of opening up Liaodong peninsula to the outside world. The economic development strategy for the coastal areas was proposed by the party Central Committee in line with the reality of the changes of the international economic structure? The current new international situation of the transfer of industries and products is favorable for our country's economic development, including the revalue of yen and New Taiwan dollars, which is also considered as one of our opportunities. Making full use of this opportunity and our own superiority to participate in the great international economic cycle and to conduct large-scale imports and exports will improve and develop our economy, speed up the pace of modernization, and narrow the gaps between our country and the developed countries. After inspecting the coastal areas, Comrade Ziyang gave an important speech and put forward a very important problem, stating that during the past international economic changes, we had opportunities on several occasions. However, we missed them and failed to grasp them, making our country lag far behind some developed countries in the world. Therefore, Comrade Ziyang urged us to grasp this opportunity and not miss it. In a written instruction on the economic development strategy for the coastal areas, Comrade Xiaoping also pointed out: "It is necessary to carry out the work boldly and to speed up the pace and to be sure not to miss the opportunities." What Comrade Xiaoping said is not aimed at calling for general efforts, but bold efforts. I understand that "bold efforts" include our further efforts to emancipate thinking. This is not a slogan, but an action. We must understand this point deeply and implement it realistically. Regarding opening up Liaodong peninsula to the outside world, we have taken a long time to prepare and strive for success. We may say that the people throughout the province are looking forward to this. This time the State Council has approved the proposal. I maintain that this is a major historical opportunity for improving our province's economy, shifting the product economy realistically into developing the commodity economy and the past closed, semiclosed state of economy into an open state, and enabling this old industrial base to accelerate the assimilation of funds, technology and trained personnel from

foreign countries, and transform and add vitality to our province. I hope that comrades will discuss and study this issue deeply. The opening up of Liaodong peninsula will inevitably make our province's political, scientific, technological and cultural fields undergo profound changes and enable the people's ideology, concepts, production pattern, way of living and social habits undergo a series of changes. The process of opening up some southern provinces and cities such as Guangdong, tells us this point. Comrade Lin Ruo from Guangdong summarized this point. He talked about Guangdong's opening up and a series of changes it brought. Whether we can understand this point deeply, catch up, and cope with the changes is an issue which our whole province should ponder conscientiously. In short, whether we can understand and cope with this situation is an issue of emancipating thinking.

We longed for and talked about an open policy in the past and were very excited when we talked about it. However, when they received the policy of opening up to the outside world, some comrades still professed love of what they fear, could not bear the sight of opening up to the outside world, and contended that the adopted methods do not work. The reason why such a phenomenon took shape is that they did not truly understand the open policy and have not caught up with the policy ideologically and professionally. Therefore, only by further emancipating minds can we further emancipate productive forces. In implementing the strategy of the CPC Central Committee on developing the economy along coastal areas and its decision to open Liaodong peninsula to the outside world, first of all we should get a good hold on the task of further emancipating minds. The issue of how to further emancipate minds is not put forward at present but was adopted at the 3d Plenary Session of the 11th CPC Central Committee. It has been nearly 10 years since the issue was adopted at the plenary session. How come we still incur such a problem at present? The answer is that the task of emancipating minds cannot be accomplished at one time and should be stressed consistently. Another answer to the questions why Liaoning Province has always examined the task of emancipating minds insufficiently and why we must again put forward the task in opening up Liaodong peninsula to the outside world is that the task of emancipating minds has not been fulfilled thoroughly. Then, from where can we proceed in emancipating minds? I contend that in addition to studying Comrade Xiaoping's comment and bearing in mind or summarizing the province's experience, we should concentrate vigorously on "boldly carrying out exploration." We hear that Liaoning Province has long sought stability in doing things, been cowardly and afraid of chaos and changes, and been irresolute in encountering problems. This just proves that we have not emancipated our minds sufficiently. In further emancipating minds at present, we have not stepped boldly and have not concentrated on exploring means that we have not born in mind realistically. All of us should further study whether the conclusion is right or not. I contend that only by exploring

boldly can we utilize the central policy successfully in a lively way; overcome the conservative ideas of seeking stability in doing things, fearing chaos, being content with things as they are, and seeking no progress; discover new things and support new things; do away with the trammels of all rigid rules and regulations; truly respect practice and the masses' pioneering spirit; and pave a new road of conducting reforms and opening to the outside world. In stressing the task of emancipating minds, we should uphold the principle of seeking truth from facts and proceed from reality in doing all things. In view of opening up Liaodong peninsula to the outside world, we should proceed from the province's actual situation and by regarding productive forces as a standard, should carry out exploration boldly, successfully utilize the central policy in a lively way, and establish our new systems, policies, measures, and various rules and regulations to meet the demand of opening up Liaodong peninsula to the outside world. In enforcing the open policy, the central authorities are unable to formulate concrete or accurate provisions for Liaoning Province to deal with its problems and the it is also impossible for the documents of various central ministries and departments to provide measures for dealing with problems in the province. In overcoming this difficulty, we should rely on ourselves, proceed from the province's actual situation, regard the standard of productive forces as a basis, and establish new systems, rules, and regulations suitable to the open policy. To deal well with this problem, we put forward the following suggestions: In implementing the central decision on opening up Liaodong peninsula to the outside world, we should carry out a mass discussion within the party and the province to set up the standard of productive forces, deepen the understanding of the province's conditions, carry out exploration boldly, and further emancipate minds; and should take the mass discussion as an event to greet the overall opening up of Liaodong peninsula. Only by so doing can we have a fully ideological preparation for opening Liaodong peninsula to the outside world and enable the people to show concern, join in, and support the opening operation, or contribute to the opening up of Liaodong peninsula. To carry out a mass discussion, the provincial authorities are ready to issue a circular on relaying the central decision on opening Liaodong Peninsula to the outside world.

Why should we deepen our understanding of the province's situation by the standards for productive forces? In the past, we have conducted studies of Liaoning Province's situation on many occasions. These studies have played a very good role in working out the province's programs for economic development, and in unifying the thinking of party members and the masses throughout the province. However, under the new condition of opening Liaodong Peninsula, it is necessary, in my opinion, to further deepen our understanding of the province's situation. In the past, in understanding the province's situation, we laid particular stress on the static study and understanding of the objective natural condition. Of course, it was necessary. For instance, we

conducted studies to understand the solid industrial basis, abundant natural resources, numerous large and medium-sized cities many of which are coastal port cities, and good transport facilities of the province. Are these the conditions of our province? The answer is yes. However, today when we open Liaodong Peninsula to the outside world, it is insufficient for us to merely understand these objective natural conditions. We should also conduct studies of the developmental and dynamic conditions of our province. For instance, since the 3d plenary session of the 11th party Central Committee, what changes have taken place in provincial conditions, which advantages have been exploited, how have these advantages been exploited, what advantages have not been exploited, and what advantages have been exploited in a poor manner? All these questions need our specific analysis. For instance, our province, an old industrial basis, has advantages, but also has the situation of "being old in three fields and backward in one field." Rebuilding the old industrial basis is the key to invigorating our Liaoning. Since the 3d plenary session of the 11th party Central Committee, what degree we have reached in rebuilding our old industrial basis and in changing the situation of "being old in three fields, and backward in one field?" When we carried out the product economy in the past, our managerial system was long affected by this mode. Through many years of reform, what on earth have we changed, what problems have been solved, and what has not been solved? In addition to studying the province's economic situation, we should study the situations in political, scientific and technological, educational, and cultural fields. For instance, we have been confronted with many new problems in the process of reform and opening up, and these new problems have evoked strong repercussions among the large number of party member, cadres, and masses. Then, we are required to analyze and study the questions about how the people think of these problems, how they approach the problems arising in reform and opening up, and whether their understanding is conformable to the demands of reform and opening up? Through conducting analysis and study, we can find that some of our advantages have been exploited in a relatively good manner after several years of reform and opening up, some have not yet been exploited, and our latent advantages have not been tapped in a practical manner. We can also find that if we fail to exploit our latent advantages, our latent advantages will probably become our disadvantages. The repeated and penetrating studies of this kind will help us further emancipate out minds, and thus the process of study involves the process of emancipating our minds. Today, in studying the province's situations, we should not focus merely on the situation of Liaoning itself, but should make lateral comparison with the national situation and the situation of fraternal provinces and municipalities. We have a common feeling that in recent years, we have progressed and developed, while we have also been confronted with a basic problem, that is, our province's place in the country has dropped year after year. To this situation, in studying the



province's situation, we should analyze what the inevitable factors are for our drop in placement, and what are the avoidable factors. By summing up experiences and lessons, we will be able to further emancipate our minds. Therefore, we should approach our province's situation in line with the new situation and new changes arising in the current international situation. We should see what advantages we have in joining the great international economic circle, and where we lag behind in this regard. Based on this, we should formulate our programs for joining the great international economic circle, and enhance our consciousness, urgency, and confidence in joining the great international economic circle.

To open up Liaodong peninsula to the outside world, we must have a realistic plan. The correct formulation of this plan needs our efforts to deeply understand the provincial situation. Therefore, we must conduct a provincewide general discussion. Otherwise, it will be impossible for us to enhance our ideology and understanding of the central economic development strategy for coastal areas and of the central demand on opening Liaodong Peninsula to the outside world if we just pay attention to holding meetings and relaying guidelines. This will make our ideology and work not catch up with the developing situation, and will affect the opening up of Liaodong peninsula to the outside world.

Second, we should implement realistically and successfully the guidelines of the State Council and the provincial plans. Now we have various policies and stipulations. The key to success lies in our work. I hope that all cities and various provincial-level departments and bureaus will implement and grasp the work relentlessly. Here, I want to stress some points:

1. To implement the guidelines of the party Central Committee and the State Council on opening Liaodong Peninsula to the outside world and to speed up the reform pace, we should attach primary importance to improving the environment of opening up and should form a "climate" for opening up. Now I want to talk in particular about the ways to enhance our work efficiency, to improve workstyle, and to meet the demands of opening up. This time, we may come across many problems during opening up. To summarize it, perhaps the most prominent problem is the quality of our work of opening to the outside world and our service attitude. Areas opening to the outside world have the experience in terms of absorbing foreign funds, importing advanced technology, and bringing in trained personnel on the one hand; and foreign firms welcome our preferential policies while expecting us to improve our service quality and work efficiency on the other hand. Some foreign firms said: We are not very interested in your 15 percent (15 percent of preferential treatment) because your low work efficiency may waste this 15 percent. If your work efficiency is high, I will do it even if I cannot enjoy that 15 percent. Why do some areas in Guangdong have such a great attraction to foreign firms? Apart from the fact that these areas have many Overseas Chinese, that they

are near Hong Kong and Macao and that they have implemented some central policies, I think the most important point is their good service. Our work efficiency and service quality lag far behind the demands of opening to the outside world. It is impossible for us to have competitive ability and attraction if we fail to solve this problem well. The work of opening up Liaodong peninsula to the outside world is proceeded under a situation in which China has opened all the coastal areas to the outside world. This is not only an opportunity but also a test. We are facing a situation of acute competition. We have favorable conditions and other localities also have favorable conditions. Under such a circumstance, we must see which locality has competitive ability and stronger attraction. If we fail to have these favorable conditions, we may be defeated in the competition. We may win if we have good service and high work efficiency. Whether we can create a new situation during competition all depends on our work. Now, making the most of the favorable situation brought by opening up Liaodong peninsula to the outside world, we should relentlessly grasp the issues of raising work efficiency and improving service in the whole province. This is not a matter of a department or a locality. The year before last, Guangzhou conducted a campaign on "smiling in Guangzhou," calling on all the people to have a good service attitude. In our Liaoning Province, we can attain the goal of "quality service in Liaoning." If we attain this goal, we may accelerate the progress of opening up. This needs a "macroclimate" and our efforts to realistically create a "climate" of opening to the outside world from the higher to the lower levels throughout the province. This requires all units, departments and persons to use the demand of opening up to measure and examine their ideology, work, and workstyle.

All things, including our overlapping organs and overelaborate systems, should be reformed. What we should particularly stress at present is that our harbor cities should consciously and honestly do a good job in carrying out the task of opening to the outside world and upgrading their standards of services for both domestic and foreign units. By no means should they regard their harbor position as a privilege and utilize their position to restrict others, to make things difficult for others, and even to make extra profit from business operations. Such an attitude of harbor cities toward both domestic and foreign firms is not permissible. I propose that after the meeting, a good job will be done in conducting the work of opening to the outside world. We wish our propaganda, journalism, theory, culture, and art departments to coordinate with each other; orient the program of building spiritual civilization on the central task of opening to the outside world; and by improving the regulations and establishing new systems, should truly create a climate for opening to the outside world and achieve work efficiency and service quality suitable to the open policy.

2. In opening up Liaodong peninsula to the outside world, we should firmly depend on science and technology. This is the key to determining whether we can join

in the large international economic cycle, win a victory in the fierce competition of international markets, and hold our ground in international markets. Our cities and the provincial level organs should get a special hold on the task of having science and technology render service for the open policy. Efforts should be made to mobilize scientific research units and higher educational institutions throughout the province to go to various cities and counties on Liaodong peninsula to open or join in business, to sign contracts on rendering technical services, or sell their scientific research results. In the final analysis, the competition of international markets is in science and technology. To upgrade our capability in competition, we must depend on science and technology. Therefore, while studying the province's situation, we often talk about how many scientific research units and higher educational institutions we have and how much rich scientific and technological strength we possess. However, we did not bring this strong point into full play and thoroughly solve the problem of having scientific and technological work be divorced from production. We have a large number of scientific research units, higher educational institutions, and scientific research personnel on the one hand; but on the other hand, a large number of our enterprises are lacking talented personnel, the quality of a large number of products is low, and in particular, our enterprises at or under the county level are seriously short of talented personnel. Without science and technology, turning out labor-intensive products is out of the question. As Comrade Ziyang said it so well, people in the past who regarded labor-intensive products as low-class ones with low technical standards are wrong. In turning out labor-intensive products, we should also "extend our two ends outside" and have advanced technology. Therefore, this requires science and technology and talented personnel. The task of dealing with this problem will certainly lead to an issue of how to mobilize and organize the higher educational institutions and scientific research units, how to relax control over the policies concerning these units and institutions, and how to have them go ahead boldly with their work. We should enforce the policy of preferential treatment among them. One of the reasons why we did not invigorate the work in this regard is that we have not enforced the policy of preferential treatment. Efforts should be made to encourage them to open various businesses and to go to the forefront of production. To bring into play the enthusiasm of scientific and technological personnel and to employ talented personnel in a lively way, we should also conduct reforms in our systems of personnel affairs. Our economic department, enterprises, and establishments should generally enforce the system of openly recruiting personnel and our scientific research units and higher educational institutions should also formulate the system of inviting tenders among their research courses. Efforts should be made to create a competition situation and to thoroughly change the method of "eating from the same big pot" and of conducting cadre transfer and readjustment only by depending on higher organizations and the personnel affairs department. I wish our cities and counties are

able to recruit their personnel from scientific research units, higher educational institutions, and provincial level organs; and also wish competent comrades in these units, institutions, and organs are able to go to Liaodong Peninsula to bring their ability into play.

Now quite a few comrades of provincial-level organs have signed up to run enterprises. It is hoped that various cities, counties, and townships will come to recruit them. In addition to inviting talent from our province, we should also think of ways to import talents from the places other than the province. Besides, we should accelerate the training of competent persons in line with the demands of reform to improve the quality of our ranks and meet the demand for opening Liaodong Peninsula.

3. All cities and counties as well as all professions and trades should, on the basis of working our good plans, realistically establish a number of export-oriented enterprises which "extend their two ends outside" or "primarily extend their two ends outside," and then use these enterprises to open a channel for opening up Liaodong peninsula to the outside world. So far as the province is concerned, we should give priority to grasping Dalian, Shenyang, and Yingkou, the three exemplary cities. All cities and all departments and bureaus at the provincial level should also have their own typical examples. First, we should depend on our existing old enterprises and utilize their existing workshops, equipment, and workers' ranks to run a number of "joint ventures, cooperative enterprises, and foreign-owned enterprises," which "extend their two ends outside," to run a group of enterprises which develop the "processing of products with materials provided from abroad, the processing of products with patterns supplied by foreign customers, the processing and assembly of imported materials, and compensatory trade," and to run a number of enterprises which follow the principle of "one plant, two systems" to develop import and export on a large scale. Through this way, we should accelerate the rebuilding of old enterprises, and create a new way to renovate old enterprises. In the past, in renovating old enterprises, we depended primarily on foreign exchange to buy equipment and technologies from abroad. It was difficult for us to do. What should we do? The only way is to utilize the workshops, equipment, and workers' ranks of existing enterprises to develop the "joint ventures, cooperative enterprises, foreign-owned enterprises," the enterprises undertaking the processing of products with materials provided from abroad, the processing of products with patterns supplied by foreign customers, the processing and assembly of imported materials, and the compensatory trade," and the enterprises which follow the principle of "one plant, two systems." It is hoped that all of our cities will sum up and popularize their experiences in this regard. Second, we should set up a group of town and township enterprises as well as some export-oriented town and township enterprises which "extend their two ends outside," and should build them into a new export



forece. To accelerate the opening up of Liaodong peninsula, we should also study the situation abroad. Not only economic and trade commissions but also various cities should conduct studies of the situation abroad. Some organs should be assigned to specially study the situations of South Korea, the Soviet Union, and Eastern Europe. Not only our social scientific institutions and economic research centers but also our departments for foreign economic relations should conduct studies of these situations, enterprise after enterprise and country after country.

My last opinion concerns the relations between the opening up of Liaodong peninsula and the main body of the entire Liaoning Province. Not long ago at a meeting of provincial governors, Comrade Ziyang said that it was impossible, and there are no conditions for us to build the entire China into a country, with export-oriented economy playing the dominant role. The reason why the coastal areas can develop export-oriented economy is that they have favorable geographical conditions, have better economic conditions than those of inland areas, and have favorable conditions for attractign foreign funds, technologies and managerial methods. In addition, the state has provided preferential policies for coastal areas to open themselves to the outside world, and these policies include the supply of money. If we open all of our places to the outside world, our country will be unable to bear the burden. Therefore, we must give consideration to the priority. So is the case of Liaoning. It is our hope that all of our areas are opened to the outside world, while this hope is impractical. How on earth should we understand this issue? So far as our Liaoning is concerned, I think the opening of Liaodong peninsula means the opening of 8 cities and 16 counties in terms of the administrative division. But, in terms of economy, it means the opening of the entire province. The economy of Liaodong peninsula is inseparable from that of the entire Liaoning Province. The opening up of Liaodong peninsula will certainly bring along the development of the entire Liaoning economy. Liaodong peninsula is a window to open the entire province to the outside world. In the past, we regarded Dalian as the window of the entire province, as well as the entire northeast China, including the eastern four leagues of the Nei Monggol region. Windows and hinterland are inseparable from each other because windows cannot play their role without hinterland, and hinterland cannot play its role without windows.

We should have this understanding and foresight. When I say this, some people will surely say that this practice is not acceptable in their localities because policies vary after all. In my opinion, as long as we manage the following few points well we can implement the policy of opening up Liaodong peninsula to the outside world in our province's economy. First, we should adopt flexible policies while opening up Liaodong peninsula to the outside world. We have adopted this principle. That is, our province has delegated all powers to various cities within its power limits, including Fushun, Benxi, Fuxin,

Tieling, and Chaoyang. You may enjoy many preferential policies from the central authorities by adopting flexible methods. The question is whether we can apply them. Second, we should think of a way to integrate Liaodong peninsula's opening up with our hinterland. The way to achieve this is to conduct lateral cooperation. The hinterland in particular should make full use of the role of showcases. For example, the Dalian economic and technological development zone and the Yingkou Bayuquan industrial processing zone have very important policies. If you go there, you may adopt the method of transporting your products there, and may classify, pack, and remodel them, and after increasing their value, you may also enjoy their preferential policies. If you cooperate with them, you may establish branch plants and companies there. Through cooperation, you may also enjoy preferential policies. They may also go to your places to invest or to develop a raw material base. If we successfully conduct lateral cooperation, you may also enjoy the policy given to showcases. The opening up of Liaodong peninsula will surely stimulate the opening up of Liaoning as a whole. However, there is one precondition. If all of us cannot free ourselves from the idea of administrative divisions but adopt various methods to restrict our administrative work, we will create a man-made barrier. Finally, the economy of your localities will not be invigorated as well. There is one problem on emancipating thinking. In the past, we came across the problem that some people stated they would run a business at a loss if they were to cooperate with a locality because the total output value created might all go to their partners. If we approach this problem from this point of view, we will surely do a bad job in using the showcases and displaying the role of hinterlands. In addition, we may also transfer your labor services to Liaodong peninsula. So far, some cities in Liaodong Peninsula have inadequate labor forces. We may transfer surplus labor forces in our hinterlands to these showcases. We may transfer them not only to our province's showcases but also to showcases in the south. If you transfer your labor forces to other localities, it will be a great help to raise your locality's revenues and develop your economy. Furthermore, you may also take advantage of opening up Liaodong peninsula to the outside world to develop enterprises that put both ends of production process on the world market, use your advantage of having raw materials to develop processing industries, and use the domestic market which is left over after they enter the international market to accelerate the development of the hinterlands. If they do not compete with you for raw materials and markets, the hinterlands will be greatly benefited. Therefore, all of us should study this issue well and should not simply think that opening up does not exist in our localities because we are not included to the administrative zones. As far as our Liaoning is concerned, as in the past, the economic development of the coastal areas will provide strength for accelerating economic development in the hinterlands, including favorable conditions for the economic, technological, and personnel sectors. Therefore, the more we accelerate the development of coastal areas, the

more we intensify our Liaoning's economic strength. This will enable our hinterlands to develop their economy. Hence, we should use this favorable opportunity to push our province's economy forward. After this meeting, I hope that all our cities and provincial-level departments will act in line with the guidelines of the central conference on opening to the outside world, achieve new changes in terms of ideology and work, and make new breakthroughs in opening up.

**Industrial Production Up in Liaoning**  
*OW071321 Beijing XINHUA in English 1205 GMT*  
**5 Apr 88**

[Text] Shenyang, April 5 (XINHUA)—Liaoning Province, China's leading heavy industrial base, yielded 19.153 billion yuan in industrial output value in the first quarter of this year, up 11.8 percent over the same season of 1987.

According to an official of the provincial Statistical Bureau today, this rate of increase rate was the highest since 1985.

The official attributed the achievement to the implementation of contract responsibility system in the major enterprises and improved supply of energy.

**Liaoning City Benefits From Self-Reliance**  
*OW071154 Beijing XINHUA in English 1238 GMT*  
**6 Apr 88**

[Text] Shenyang, April 6 (XINHUA)—Yingkou in Liaoning Province has made good results in getting foreign equipment though it doesn't enjoy any of the preferential terms for other coastal cities.

In spring 1985, the central government decided to open the city to the outside world on condition that it pays all the equipment bought from foreign countries out of its own pocket.

However, Yingkou has learned to open itself at its own expenses, city officials told XINHUA today.

The Yingkou washing machine factory planned to buy a set of foreign equipment producing 200,000 units annually. The cost would be 24 million yuan, 100 times the funds available to the factory at the time.

To fulfill the goal, the factory signed a 3-year co-production contract with a Japanese firm. When the contract expired, it not only realized its dream of importing the equipment but also earned a profit of 14 million yuan.

The city has also learned to introduce advanced foreign technology with least investment.

Yingkou electrical machinery plant once planned to import a production line which may cost it four million U.S. dollars. However, it later altered the plan and only bought the key equipment at a price of less than one million dollars.

The method is commonly used in the city's textile industry which yielded a total export earning of six million U.S. dollars last year.

In the last three years, the city developed its export products to more than 170 varieties which are sold to some 70 countries and regions.

Export earnings gained by Yingkou's foreign trade departments has been increasing at a pace of 100 million yuan annually.

**Shenyang Sets Up First Peasant Cooperative Bank**  
*OW080206 Beijing XINHUA in English 1347 GMT*  
**7 Apr 88**

[Text] Shenyang, April 7 (XINHUA)—Businessmen living on the rural Liaodong Peninsula in northeast China no longer need to carry bundles of banknotes with them when doing business elsewhere, thanks to a peasant credit co-op set up earlier this month.

The co-op, the first of its kind in China, is a collectively-owned financial institution assuming full responsibility for its profits and losses. Services offered include bank saving deposits, credit, and cash transactions.

By the end of this month, more than 500 local farmers had opened accounts at the bank. Total bank savings currently amount to 500,000 yuan, according to a bank clerk.

"The setting-up of the credit co-op is part of the reform in China's financial system and is expected to boost the region's commodity economy," said a local government official.

Nearly 10,000 farmers in the region have taken to trade, industrial and other non-farming production in the past few years.

Their annual earnings total 10 million yuan, but until the bank came along their money just sat idle. Now it is being put to use, and the peasants are finding that the co-op is making business more convenient for them.



### Northwest Region

**Gansu Leader Discusses Current Issues**  
*HK080057 Lanzhou Gansu Provincial Service*  
*in Mandarin 2300 GMT 7 Apr 88*

[Excerpts] A 3-day provincial forum of secretaries of prefectural and city party committees concluded in the Lanzhou Ningwozhuang Guesthouse on 7 April. The forum focused on analyzing the rural situation in the province, studying the future development orientation, and doing a thoroughly good job in all current work, to ensure the continual smooth progress of rural reforms and construction. [passage omitted]

Provincial Party Committee Secretary Li Ziqi spoke at the conclusion of the meeting. He focused on the following six issues:

1. Apply the viewpoint of commodity economy to observe and analyze the province's rural situation.
2. With a high degree of political responsibility, make efforts to achieve the goal of endeavor of basically resolving the food and clothing problem in 3 years.
3. Deepen the rural reforms, basing the effort on the actual state of development of the local productive forces.
4. Rely on reforms and the development of systems to strengthen grass-roots party work in the rural areas.
5. Build socialist democratic politics through carrying out political structural reforms.

6. Seize the chance offered by the implementation of the strategy on developing export-oriented economy to stimulate the development of the province's economy.

**Xinjiang Leader Stresses Spring Farming**  
*HK071535 Urumqi Xinjiang Regional Service*  
*in Mandarin 1230 GMT 6 Apr 88*

[Text] In his speech at a Xinjiang autonomous regional meeting to analyze the region's spring farming that opened yesterday, Yusufu Muhanmode, vice chairman of the autonomous regional people's government, noted: Our current spring farming situation is very pressing. All areas must go all-out to speed up the progress of spring farming.

Vice Chairman Yusufu Muhanmode said: Due to the fact that the temperature has been on the low side this spring and due to the relatively late arrival of the beginning of this spring, Xinjiang's sowing time has been postponed for about 10 days. Judging from the sowing situation at the end of March, we can see that our sowing plan for spring wheat has not been fulfilled satisfactorily.

Yusufu Muhanmode added: According to the weather forecast, our region's climatic conditions around 10 April will be relatively stable. This will be the opportune time for us to fulfill our spring farming task. All areas must mobilize all forces to guarantee both quality and quantity in rush-planting spring wheat and in fulfilling the 7.7 million-mu-spring farming task. At the same time, we must strengthen our winter wheat field management and adopt protective measures, such as applying fertilizer, stirring the soil, and channeling water to irrigate the fields. The dead winter wheat must be replaced by spring wheat as a (?remedy).

**Trade Consultations With U.S. To Open 26 Apr**  
*OW080317 Taipei CNA in English 0249 GMT 8 Apr 88*

[Text] Taipei, April 8 (CNA)—Trade consultations and negotiations between the Republic of China [ROC] and the United States will be held in Taipei April 26-29, Wang Chao-ming, vice chairman of the Council for Economic Planning and Development (CEPD), announced Thursday.

The ROC delegation will be led by Vice Economics Minister Wang Chien-shien, and the U.S. delegation will be headed by Peter Allgeier, assistant trade representative, Wang said.

Wang, in his capacity as spokesman for the Executive Yuan's Special Group on ROC-U.S. Trade said that the sensitive issue as the import of U.S. agricultural products such as turkey and fruit will not be on the agenda of the upcoming negotiations.

The regularly scheduled negotiations are jointly sponsored by the ROC's Coordination Council for North American Affairs, and the American Institute in Taiwan of the United States.

The ROC delegates will include Chen See-ming, director of monetary affairs of the Finance Ministry; Lai Yin-jaw, director of customs administration of the Finance Ministry; and Cheng Shih-chin, director of the Taiwan Tobacco and Wine Monopoly Bureau.

On copyright issues, the Interior Ministry, the Government Information Office and National Bureau of Standards of the Economics Ministry will send representatives as a part of the ROC delegation, Wang added.

The ROC side will ask the U.S. Government to allocate more quotas for the import of Taiwan sugar, and to lift the ban on the export of U.S. crude oil in order to help the ROC diversify crude oil sources and to help balance ROC-U.S. trade, the spokesman said.

**President Li Receives U.S. Congressman**  
*OW080537 Taipei CNA in English 1526 GMT 7 Apr 88*

[Text] Taipei, April 7 (CNA)—President Li Teng-hui Thursday received U.S. Congressman Rod Chandler at the presidential office and discussed ROC [Republic of China]-U.S. relations with him.

After extending his warm welcome to the U.S. congressman, the president pointed out that political stability was one of key factors for the Republic of China's rapid progress during the past four decades.

On the ROC-U.S. trade issue, Li said the ROC Government will work with utmost sincerity to resolve the imbalance. The president hoped that the U.S. will also improve its productivity and expand its exports to match ROC efforts.

Chandler said he admired ROC progress since his first visit to Taiwan. He said he completely agreed with the Chinese chief of state on the solution to the ROC-U.S. trade issue, and believed the U.S. must step up its marketing efforts in order to resolve its economic difficulties.

Also present at the Li-Chandler meeting were Shen Chang-huan, secretary-general to the president; and John H. Chang, vice foreign minister.

President Li also receive a group of U.S. scholars, led by Helmut Sonnenfeldt, guest scholar at the Brookings Institution. The scholars are in Taipei to attend a seminar on the Taiwan Relations Act and ROC-U.S. relations.

The president exchanged views with his guests on ROC-U.S. relations and answered questions posed by the American scholars on the ROC's present and future.

The U.S. scholar were accompanied by John H. Chang, vice foreign minister; and Dr. Chang King-yuh, director of the Institute of International Relations of National Chengchi University.

Later in the day, Chandler called on Premier Yu Kuo-hua at the latter's office. Premier Yu told his U.S. visitor that the ROC's efforts to narrow its trade surplus with the U.S. have begun to achieve results.

Yu said the trade surplus dropped 24 percent in January (compared with January 1987) and 26 percent in February. In March, the ROC enjoyed only U.S. dollar 300 million trade surplus with [word indistinct]

**Li Teng-hui Orders Review of Mainland Policy**  
*OW071411 Taipei CNA in English 1540 GMT 6 Apr 88*

[Text] Taipei, April 6 (CNA)—President Li Teng-hui, in his capacity as acting Kuomintang [KMT] chairman, Wednesday instructed KMT ranking officials to review the Republic of China's [ROC] mainland policy so as to provide suggestions to the government for a possible revision of the policy should the need arise.

Li said the government promised to review the policy six months after it began to allow ROC people to visit their relatives on the Chinese mainland, and now is the time to do so. He thus hopes KMT officials responsible for the policy will make a thorough review of it.



Li gave his directive at a regular meeting of the KMT Central Standing Committee after hearing a report by Hsu Lih-nung, chairman of the Vocational Assistance Commission for Retired Servicemen, on ways to take better care of retired servicemen.

The government's mainland policy was based purely on humanitarian principles, Li said, but a variety of political, economic, and security problems have arisen since the adoption of the policy, he added.

The government and the ruling party will assess the positive and negative effects of the mainland policy so as to ensure national security, Li said.

"Most important, we should pay attention to the Chinese communist reaction to our mainland policy," he said.

Since they have not loosened up their united front tactics, but have instead repeatedly stated their goal of taking Taiwan by force, the ROC should not relax its alertness and combat readiness against the Chinese communists, Li said.

**Mainland Student Defectors Welcomed**  
*OW071137 Taipei CHINA POST in English*  
2 Apr 88 p 12

[Text] An application for an ROC [Republic of China] passport by a mainland Chinese student in the United States may prove to be the litmus test for the government's policy toward such applications.

The Broadcasting Corporation of China [BCC] yesterday quoted an unnamed Foreign Ministry official as saying that the ROC would grant the student a passport if he qualifies as a defector.

The student would be required to denounce communism, settle in the Taiwan and pass a security screening, the BCC quoted the official as saying.

Otherwise the student could qualify for an ROC passport if he had acquired permanent residence in "a free country" and lived outside the mainland for five years, the official said.

The application was filed with the San Francisco office of the ROC's de facto consulate there, the Coordination Council for North American Affairs (CCNAA).

The CCNAA withheld the applicant's name but said his Communist Chinese passport was about to expire and the Communist Chinese Embassy refused to renew it, the UNITED DAILY NEWS (UDN) reported.

The CCNAA is awaiting the Foreign Ministry's instructions on whether to issue him a passport.

According to a former CCNAA official, the CCNAA received more than 400 applications last year for ROC passports from mainland Chinese in the U.S. Over 10 such applicants were allowed to come to Taiwan over the last five years, he said.

Such applications are expected to surge due to Peking's education policy change. According to a Feb. 15 report by Peking's PEOPLE'S DAILY newspaper, Communist China will cut down on the number of students it sends abroad this year to a total of 3,000,600 of which will go to the United States.

Last year 8,000 mainland students went to the United States.

Upset by the policy change, more than 800 mainland students at U.S. colleges have pledged to sign a protest letter to mainland Chinese authorities to demand that the policy change be reversed.

If their demands go unheeded, the students said, large numbers of them may ask for political asylum in the United States or apply for ROC passports.

In the BCC's report yesterday, the Foreign Ministry official said the Foreign Ministry would form a committee to evaluate applications from mainland Chinese students on a case-to-case basis.

The official said that although mainland students want to get ROC passports because of a sudden change in Peking's policies, the Foreign Ministry will remain strict in approving their applications because "Communist Chinese policies change all the time."

However, he said he did not rule out "special actions under special circumstances."

Officials, who asked to remain anonymous, said the ROC has been hesitant to grant defector status to mainland Chinese students because of the burden they present on the government.

Most defectors from mainland China are received by the Free China Relief Association (FCRA) and the Bureau of Investigation.

Upon arrival in Taiwan, these "freedom seekers" are debriefed and required to read an anti-communist statement at a press conference, after which the FCRA must arrange for employment or education according to personal wishes and ability.

Some defectors have presented the FCRA with difficulties when they could not adapt to their new lifestyles or were dissatisfied with the FCRA's arrangements.

The most prominent of these was Lin Hsi-ling, a former Peking University student who was jailed for 15 years on the mainland for promoting democracy.

After the death of Mao Tse-tung, she was allowed to accept France's invitation to do academic research. In September 1985, the FCRA invited her to study the political and social life on Taiwan, making her the first Chinese to hold both a passport from the mainland and one from Taiwan.

Lin, billed as a "staunch anti-Communist fighter" began criticizing "lack of freedom" in Taiwan minutes after she stepped off the plane.

She criticized the FCRA for controlling her itinerary and the press for not reporting her criticisms. After holding mass rallies in Kaohsiung and Hsinchu at which she blasted Kuomintang "corruption," she flew back to Paris.

A month later she learned that the FCRA would not renew her ROC passport for a planned lecture trip.

**Cultural Conference With Saudi Arabia Opens**  
**OW080531 Taipei CNA in English 1500 GMT**  
**7 Apr 88**

[Text] Taipei, April 7 (CNA)—The eighth session of the Republic of China (ROC)-Saudi Arabia Permanent Council on Cultural Cooperation opened Thursday at

the Grand Hotel with Chao Chin-chi, ROC vice education minister, and Dr. 'Abd-al-rahman al-Shubayli, Saudi deputy minister of higher education, jointly presiding.

The two delegations will discuss the promotion of ROC-Saudi cultural and educational exchanges at the two-day meeting.

Chao, representing Education Minister Mao Kao-wen, said the council had been established in 1978 so that both sides could maintain good relations through discussions of cultural and educational exchanges, scientific and technological cooperation and exchanges of visits between youth and sports groups.

Al-Shubayli said he believes Saudi-ROC cooperation is unlimited, and that cultural and educational exchange between the two countries will be further enhanced with the substantial measures to be mapped out during the conference.

The two delegations will sign a joint communique Friday marking the end of two days of discussions.

The ROC delegation includes representatives from education and foreign ministries, the government information office, and the China Youth Corps. The Saudi delegates include officials of the education ministry, Youth Assistance Commission, and the Professional Training Directorate General of the foreign ministry.



### Hong Kong

**Defense Agreement With London Announced**  
*HK080807 Hong Kong SOUTH CHINA MORNING POST in English 8 Apr 88 p 1*

[From David Wallen in London and Simon Macklin]

[Text] Ministry of Defense officials in London confirmed yesterday that Hong Kong taxpayers will be paying five per cent less towards the cost of maintaining the British garrison in Hong Kong.

Under a new agreement, which should be formalised today, Hong Kong will pay about 70 percent of the cost of maintaining the 9,000 strong garrison while Britain pays the remainder.

But the sources said Hong Kong's total contribution would be gradually reduced over the next nine years with the steady reduction in the size of the garrison.

"It will work out in a proportion of about 70 percent for the Hong Kong Government and 30 percent for the British Government—give or take a bit on either side," one source said.

A team of Hong Kong officials led by the Deputy Secretary for Security, Mr Robert Upton, is currently in London finalizing the agreement which is due to be presented to the Executive Council [Exco] next week.

The team includes the acting Crown solicitor, Mr Peter Allan, who is believed to be helping to draft the final document.

A Defence Ministry spokesman said the talks should be completed today and the Hong Kong team were due to return to the territory over the weekend.

... financiers are still busy sorting out the small print of the agreement," he said.

British and Hong Kong Government negotiators had been searching for a new agreement for almost 10 months. But an agreement on the share each side would pay was finally reached at the end of March following four rounds of negotiations.

Details of the agreement will have to be accepted by Exco before going to the Legislative Council Finance Committee.

Legislative councillors had earlier threatened to withhold approval for funds for the garrison unless the Hong Kong Government could negotiate a reduction in its share.

Under the previous agreement, Hong Kong had to foot 75 percent of the bill which last year cost local taxpayers some \$1.71 billion.

**Li Peng Says PRC 'Sincere' About Hong Kong**  
*HK071529 Hong Kong ZHONGGUO TONGXUN SHE in Chinese 1338 GMT 6 Apr 88*

[Text] Beijing, 6 Apr (ZHONGGUO TONGXUN SHE)—Acting State Council Premier Li Peng has said that the central authorities are sincere about implementing "one country, two systems" for Hong Kong and in advancing the notion of "Hong Kong people governing Hong Kong." To ensure that these two "sinceres" become reality, it is necessary to rely mainly on legislation and on the Basic Law for the Hong Kong Special Administrative Region. He said that he will be more concerned about these matters if he becomes premier.

Li Peng said this yesterday when receiving Hong Kong CPPCC member Xu Simin. He also asked Xu to relay these remarks to the people of Hong Kong.

Li Peng said that due to the fact that he has only been acting premier for 3 or 4 months, he is not thoroughly familiar with the Hong Kong issue, but he has a very clear idea of the general intentions in handling this issue. For historical reasons, Hong Kong should practice "one country, two systems" in order to preserve its stability and prosperity. He said: If Hong Kong's stability and unity cannot be assured and it becomes a dead harbor, this would be a burden on China's four modernizations as well as being no good for Hong Kong. The CPC is therefore sincere in advocating "one country, two systems" for Hong Kong. In addition, due to the differences between Hong Kong's and the mainland's economic and political systems and way of life, there would be no advantage for Hong Kong if the systems in force on the mainland were transferred into Hong Kong, instead of having the Hong Kong people manage their own affairs; similarly, there would be no advantage for the mainland if the systems in force in Hong Kong were transferred to it. Therefore, he held, China is also sincere about having "Hong Kong people governing Hong Kong."

Hence, Li Peng stressed the importance of formulating the Hong Kong Basic Law. He said, the mainland now attaches importance to legislation, and Hong Kong should rely on a legal system all the more. He said, for instance, that if he is elected premier, his term will only last 5 years, and the Basic Law is very important in preventing leadership changes from having any effect on Hong Kong. There will be nothing to fear from changes in leadership if there is a Basic Law that is accepted by the majority of the people in Hong Kong and this law is followed.

Li Peng impressed Xu Simin as young, nimble, meticulous, and cautious. Xu Simin said he told Li Peng that the brain drain from Hong Kong is rather serious, and Li Peng asked, "What is the reason?" Xu gave him three reasons: First, certain countries have relaxed their immigration restrictions. (Li Peng immediately asked with concern whether these people were talented in science and technology or in management, and Xu replied,

management). Second, not long ago there was a fierce argument in the Legislative Council over the question of direct elections in 1988, which made some people uneasy. Third, there is a lack of trust in the CPC. Li Peng then asked how this lack of trust is embodied. Xu said it was because the mainland is now handling more Hong Kong affairs. Li Peng asked whether the state organs are handling too many affairs in Hong Kong. Xu replied, "Yes." Xu told Li Peng, since it is not possible for Hong Kong to become independent, the CPC should act like a "Buddha" and allow the "Monkey King" to jump around by himself; no matter how he jumps, he cannot jump out of the "Buddha's" palm. If you tell him how to jump, he probably would not be able to jump at all. Li Peng laughed at this and expressed agreement.

**PRC 'Worried' About Independent Public Services**  
*HK080847 Hong Kong HONGKONG STANDARD*  
*in English 8 Apr 88 p 1*

[By Wilson Wong]

[Text] Beijing is worried about the recent trend in Hong Kong of setting up more autonomous authorities to manage public services.

Chinese officials insist the Joint Declaration holds that there should be few, if any, structural changes during the transitional period.

Chinese officials have informally asked the Hong Kong Government to explain why these separate authorities were established.

The worry started with the setting up of the autonomous broadcasting authority last year, and was added to by the establishment of the Housing Authority this month.

The Broadcasting Authority, which sets policy concerning the development and operation of the electronic media, is designed to reflect public thinking. The policy is now less government-controlled.

The Housing Authority was set up as a highly autonomous machine to formulate housing policy, taking over that role from the now-defunct Housing Branch in the Government Secretariat.

The Government plans to set up more autonomous bodies or possibly to commercialise Government utilities for water supplies, postal services and the future airport.

It explained that the new bodies were meant to include more public participation so that public services would be provided more efficiently.

The Chinese regard this as a change in the nature of the government.

One Chinese official said: "China and Britain mutually agreed in 1984, when both signed the Sino-British Joint Declaration, that the basic structure of government should remain the same, or undergo as little change as possible during the transitional period."

Asked if that meant the Chinese were not happy with the latest moves, he replied: "It's up to you to judge."

But the Deputy Chief Secretary's assistant, Mr Keith Shippley, said the Hong Kong Government was not aware of any formal query from the Chinese.

However, a British source said the territory's Government had supplied "information and data papers" to help Chinese officials understand its motives in setting up the authorities.

For example, he said, the establishment of the Kowloon Canton Railway Corp [KCRC] as a corporation was explained to the Chinese. The KCRC has become a successful enterprise since it was changed from a Government department into a Government-owned corporation in 1982.

He said the Chinese side was satisfied with this response despite the unease some Chinese officials apparently had—and it was still up to Hong Kong officials to set the pace.

The Hong Kong Government has already acted to ensure that the airport authority will not be looked upon as an independent body, but will be wholly-owned by the Government.

The Deputy Financial Secretary, Mr John Yaxley, who was in charge of the study on turning Government utilities into corporations, refused to comment on the strategy adopted.

The Government became concerned when the idea was sounded out that it move towards an independent authority.

The Chinese have shown a very cautious attitude towards this idea but they have not yet asked the Government about it.

"It's still some time to go before the Hong Kong Government decides on the matter," a Chinese official said;

"It will be premature for us to raise any question at this stage."



**Hong Kong Governor on Transport Developments**  
*HK071348 Hong Kong XINHUA in English 1344 GMT*  
 7 Apr 88

[Text] Hong Kong, April 7 (XINHUA)—It is vitally important that the port and airport development study and the comprehensive transport study should be taken forward as quickly as possible, Hong Kong Governor David Wilson said here this evening.

He pointed out that the amount of trade between Hong Kong and the Chinese mainland had grown 235 percent in four years or an average of 35 percent each year.

"We must make sure we are prepared and able to cope with these new demands," he said.

"From the talks we have had with the Chinese authorities, it is clear that we can expect further very substantial increases in the extent to which all of Hong Kong's means of transport—sea, air, road and rail—will be used for the transshipment of goods to and from China," he said.

As south China will continue to grow in economic importance, it is necessary to ensure that the facilities in Hong Kong will remain attractive and competitive, Wilson said.

"Our geographical location, our transport infrastructure, and our experience and expertise, give us a unique opportunity to make Hong Kong not only a major regional center for southern China, but a catalyst for development in a region which could well be one of the key areas of growth in this part of the world over the next few decades," he said.

Wilson said the Hong Kong Government expected to have answers to the question of how to develop the port by the end of next year. "It should then be in a position to make a decision whether and if so, when and where, to relocate the airport," he said.

Hong Kong was the busiest container port in the world in 1987 when it handled 3.45 million twenty-foot equivalent units. Hong Kong's single-runway airport accommodated 12.6 million passengers and handled 610,000 tons of cargo last year, ranking the sixth in the world.

But, throughput is approaching saturation of the capacity of both port and airport facilities and local experts are worried that development of the facilities would fail to meet further demands.

Earlier this year, the Hong Kong Government earmarked 40 million Hong Kong dollars (over five million U.S. dollars) for studies of comprehensive development of road, port and airport projects.

**Bank Reveals Extent of Crash Share Buying**  
*HK080805 Hong Kong SOUTH CHINA MORNING*  
*POST (BUSINESS POST) in English 8 April 1988*

[Text] The Hong Kong and Shanghai Bank pumped more than \$1 billion into local equities during the stock market crash, chairman William Purves revealed yesterday.

The Bank, along with several other institutions, bought Hong Kong-listed shares heavily in a bid to boost confidence in the market, the chairman said in his annual statement.

Part of the portfolio acquired since the crash was sold for an undisclosed profit as the market picked up, said John Gray, the Bank's group finance executive director.

He said the Bank had bought shares from almost every company other than it-self during that time.

The Royal Hong Kong Jockey Club is also understood to have put hundreds of millions of dollars into the stock market at that time.

The consolidated balance sheet of the Hong Kong Bank group at December 31 showed total investments, listed and unlisted, at \$46.9 billion—an increase of \$10.7 billion over the previous year.

Listed shares in Hong Kong accounted for \$4 billion against \$3 billion in 1986 while those outside Hong Kong—including the recently bought \$5.57 billion stake in the UK's Midland Bank—amounted to \$38.2 billion, up \$8.29 billion from \$29.9 billion a year ago.

In the bid masterminded by the Government to help the troubled Hong Kong Futures Guarantee Corporation, two loan facilities of \$2 billion each were organised and the Hong Kong Bank group contributed almost \$700 million to the facilities.

About \$1.8 billion had been drawn from the first facility, to which a repayment of \$300 million had been made, while the second facility, due to expire soon, remained unused. The report said that provided the second facility of the \$2 billion rescue package was not used, the group's exposure in relation to its commitment to the two facilities would be limited to \$357 million.

Meanwhile, the Bank's 61.48 percent-held subsidiary Hang Seng Bank said in its annual report that group investments in local and overseas quoted shares increased to \$3.73 billion at the end of last year from \$3 billion in 1986.

Short-term investments in locally-issued stocks rose to \$1.78 billion from \$1.59 billion while those held for long-term purposes increased to \$951 million against \$553 million.

Overseas listed shares held for short and long term were \$994 million and \$2.5 million, respectively.

The Hong Kong Bank's European operations may suffer from an economic slowdown precipitated by the possible rise of interest rates this year, says the Bank's latest report.

Negotiations to swap assets with Midland Bank, in which the Bank acquired a 14.9 percent stake in December last, were underway.

Following the rationalisation exercise, Hong Kong Bank would take over most of Midland's business in Asia and Canada while the majority of Hong Kong Bank's business in Europe would be taken over by Midland.

In reviewing its business in Europe, the Bank said its branches in West Germany had a disappointing year due to reduced demand for export finance and related foreign exchange services.

"The Bank's branches in France and Switzerland, burdened by high operating costs and limited lending opportunities, experienced poor results," the report said.

Disappointing results were also registered in the Republic of Ireland where revenues had been slashed below forecast due to the reduction in lending activities and a high debt provision.

However, branches in Scandinavia, Spain, the Channel Islands and the United Kingdom did perform satisfactorily with results well ahead of forecast, the report said.

The Bahrain offshore banking unit had been adversely affected by the depressed economies in the region, the report added.

**Imports of U.S. Food Products Increase in 1987**  
*OW071425 Beijing XINHUA in English 1601 GMT*  
**6 Apr 88**

[Text] Hong Kong, April 6 (XINHUA)—The United States sold Hong Kong food products worth 466 million U.S. dollars last year, 17 percent more than the figure for 1986.

This was revealed at a U.S. food exhibition here today by the Agricultural Office of the American Consulate General in Hong Kong which organized the event annually.

At the show, 69 exhibitors, representing hundreds of food, produce, and beverage lines from the northwest of the U.S., displayed a collection of food and vegetables and fruits with typical American flavors.

Apart from sampling food items at the show which opens on April 6 and 7, visitors are also briefed with figures showing the progress made in U.S. agricultural exports to Hong Kong.

Poultry meats which added up to 58 million U.S. dollars topped the list of U.S. agricultural exports to Hong Kong in 1987, which was 65 percent up. Hong Kong is also the largest U.S. market for hen eggs.

Last year, American apple sales to Hong Kong climbed by 75 percent to 23 million U.S. dollars, and U.S. beef sales increased by 40 percent, some items, such as rice, ice cream and grapefruit doubled or tripled their 1986 sales.

Hong Kong's traditional imports of U.S. cotton have dropped considerably in the past few years due to the contraction of the local textile industry and lower prices for Chinese and Pakistani cotton. However, Hong Kong has become the largest mink skin export market of the United States.



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